Investor presentation
Q1 2015

20 May 2015

Forward-looking statement

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Agenda

- Highlights Q1 2015
- Financial performance
- Grupa Prefabet
- Balance sheet items
- Outlook for 2015
- Q&A

Highlights Q1 2015

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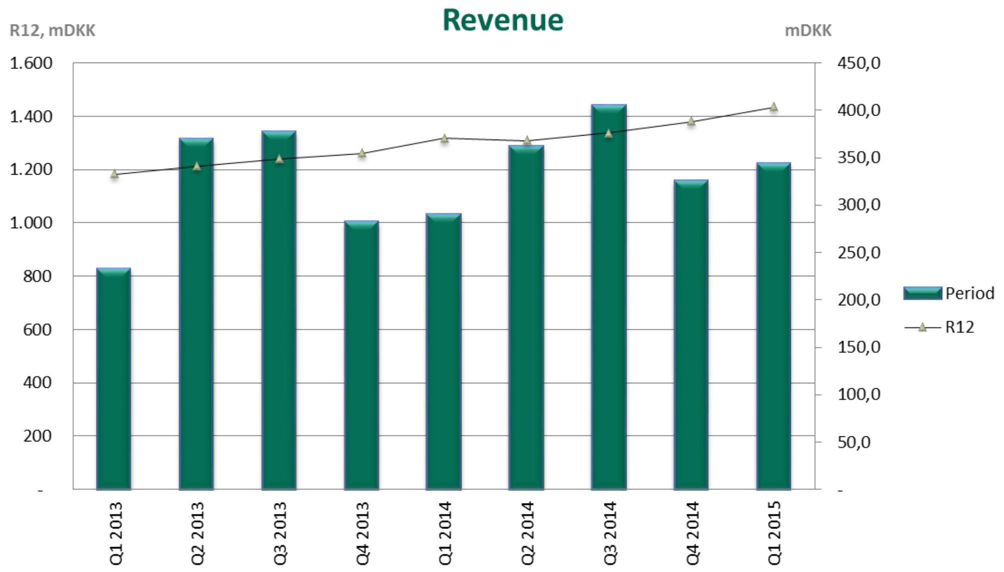
- Organic growth in the first quarter was 8.7% (adjusted for acquisitions and measured in local currency)
- Acquisition of Grupa Prefabet concluded
- The financial figures are impacted by the Grupa Prefabet transaction and the integration plan is running to schedule
- A new issue of shares increased equity by DKK 42 million net
- Conditional sale of assets in Poland with net proceeds of DKK 20 million
- H+H reiterates its outlook for 2015

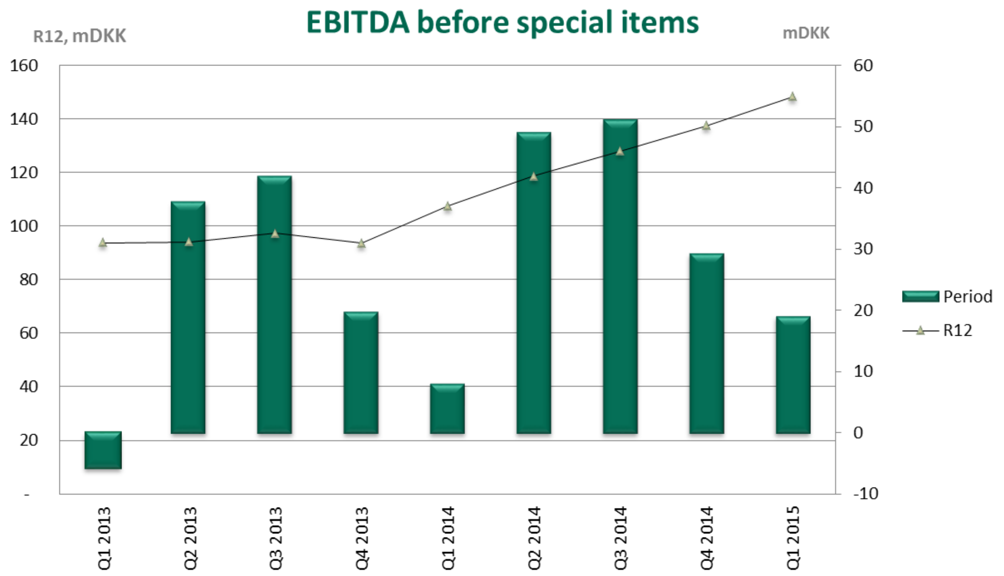
Financial performance Q1 2015

Group financial performance

Q1 2015

- Revenue up 18.5%, organic growth of 8.7% on Q1 2014
- Gross margin in first quarter was 20.9%, against 18.9% in Q1 2014. Average selling prices were higher than last year but partly offset by higher indirect production costs
- EBITDA was DKK 19 million before special items against DKK 8 million in Q1 2014
- Profit from special items was DKK 31 million, mainly from badwill offset by restructuring costs
- Profit for the period DKK 11 million against loss of DKK 30 million in Q1 2014

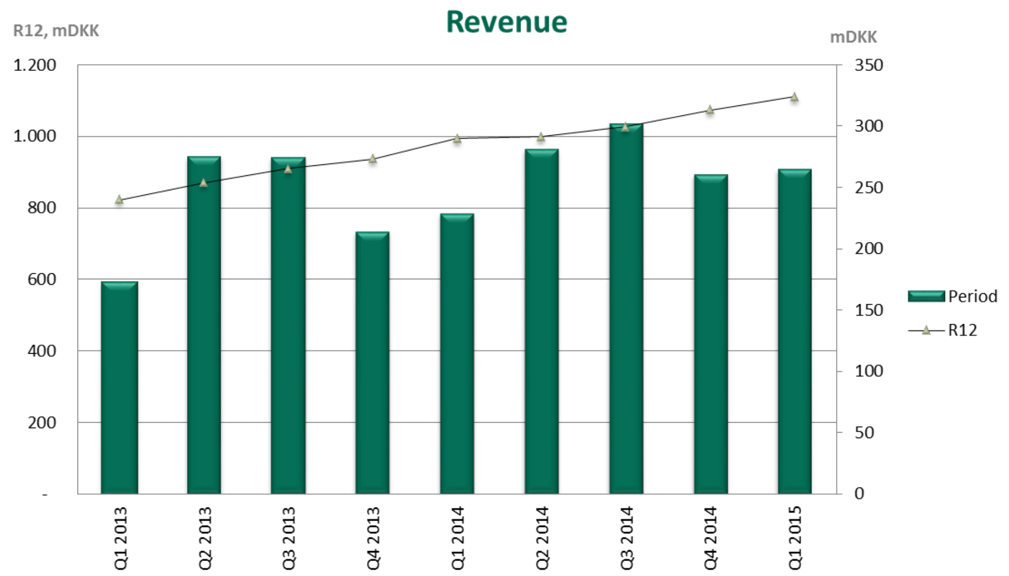


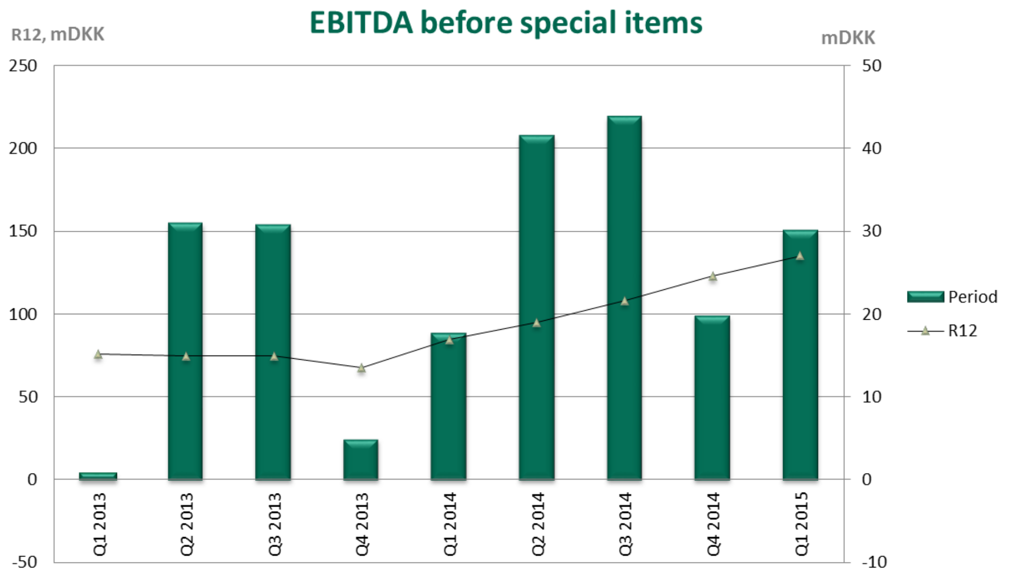


Segments – Western Europe

Q1 2015

- Revenue up 16.0% on Q1 2014, organic growth was 8.7%. Revenue increased compared with Q1 2014 in all markets but the Benelux countries
- EBITDA was DKK 30.1 million before special items against DKK 17.7 million in Q1 2014
- Profit before tax of DKK 12.0 million against loss of DKK 2.3 million in Q1 2014
- The development was due to higher selling prices and more favourable GBP exchange rate.

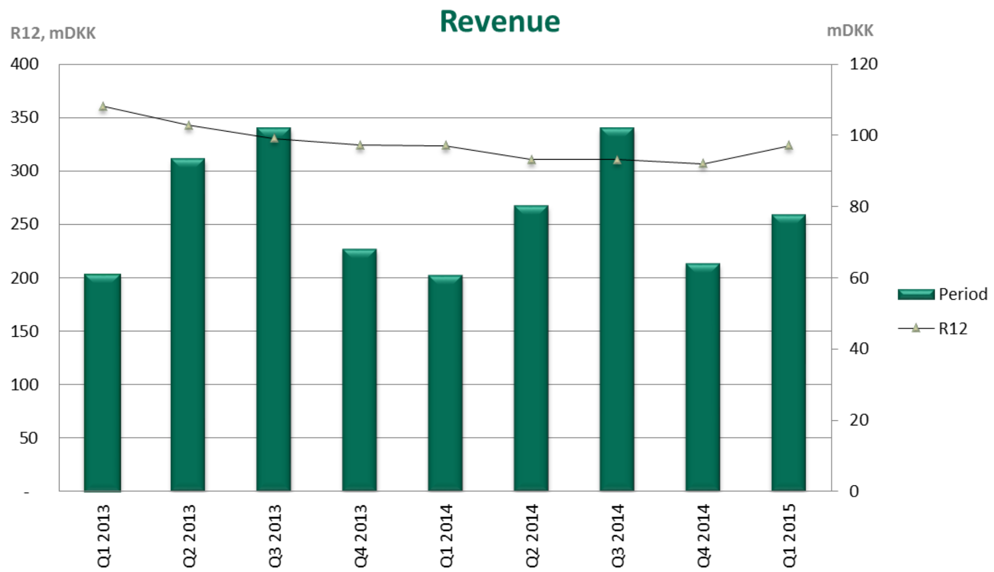


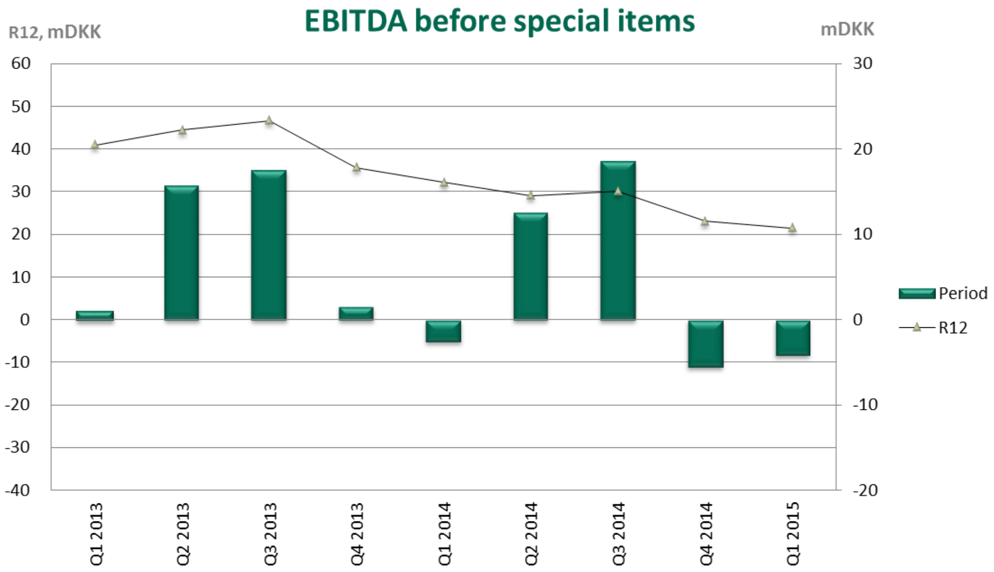


Segments – Eastern Europe

Q1 2015

- Revenue up 28.1% on Q1 2014, organic growth was 8.8%
- EBITDA was a negative DKK 4.2 million before special items against a negative DKK 2.6 million in Q1 2014
- Profit from special items was DKK 36 million
- Profit before tax of DKK 19.1 million, against a loss of DKK 14.8 million in Q1 2014
- There is a significant impact from the RUB decrease against same period last year
- In Russia, market conditions seem to be stressed. The Polish market was impacted by the Grupa Prefabet transaction






Grupa Prefabet

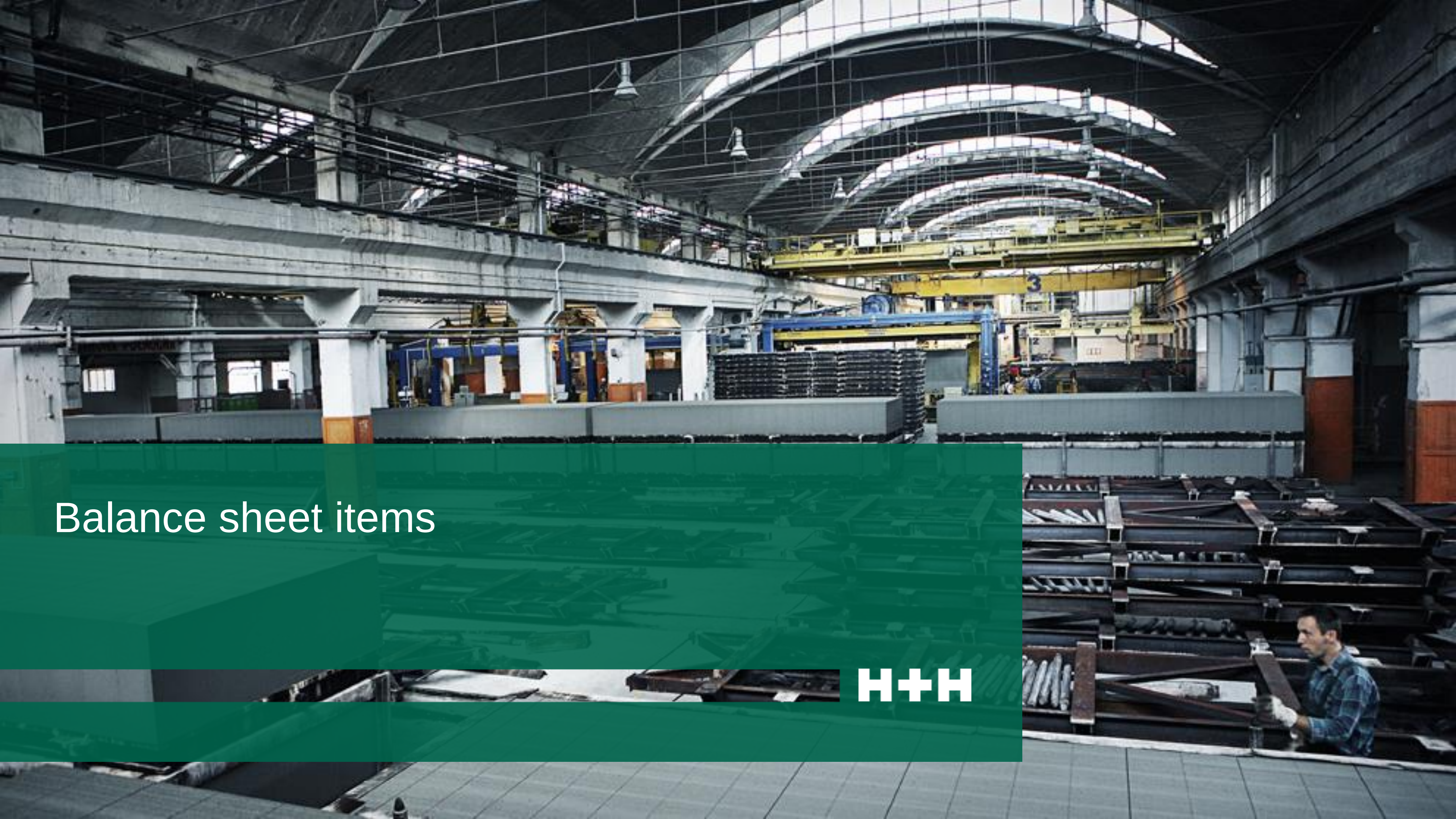
Acquisition of Grupa Prefabet

- The Polish aircrete market is the biggest in Europe but activity levels have dropped significantly in recent years due to the economic slowdown, leading to extensive overcapacity, very low selling prices and, in consequence, a lack of profitability among producers
- H+H's Polish activities have been loss-making since 2009 although improving during 2014
- The acquisition of Grupa Prefabet S.A. supports our strategic plan *Creating value through profitable growth*
- Closing of the deal took place 5 February 2015
- The purchase price was DKK 108 million (enterprise value). The purchase price will be paid according to an agreed payment schedule where approximately DKK 40 million was paid at closing and the remaining amount will be payable in two instalments by mid-2016 (DKK 32 million) and by mid-2017 (DKK 36 million), respectively
- The acquisition will result in recognition of badwill estimated at DKK 56 million

Integration of Grupa Prefabet

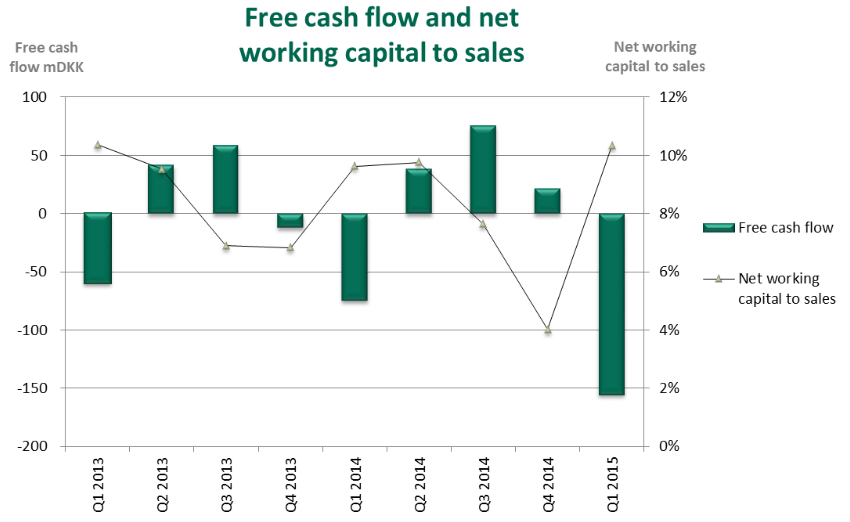
- Integration plan is in progress and running to schedule
- Redundancies at the level of 200 employees and higher sourcing concentration will contribute to harvest synergies
- Integration costs of DKK 20 million recognised as special items
- EBITDA before special items is expected to increase by approximately DKK 10 million in 2015, partly due to planned synergies
- Over the following three years, the ambition is to increase the EBIT margin for the combined Polish activities to a level in line with H+H’s long-term EBIT margin target of min. 6%, assuming that conditions in the Polish market improve and the restructuring plan progresses as scheduled
- Over the next two to three years H+H expects to be able to sell off assets (land, buildings, equipment and scrapped steel) at a total sales price exceeding DKK 70 million

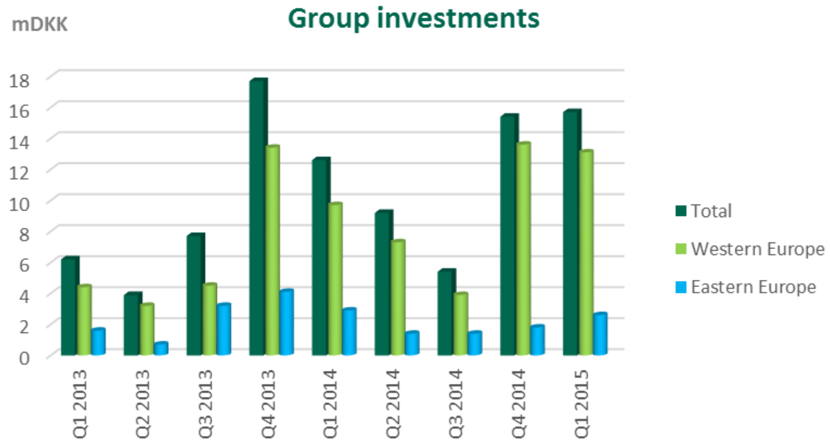
Balance sheet items



Free cash flow and investments

- Free cash flow was a negative DKK 155 million, against a negative DKK 75 million in Q1 2014.
- The ratio of net working capital to sales increased from 9.6% on 31 March 2014 to 10.3% on 31 March 2015, mainly driven by higher inventories
- Investments of DKK 16 million against DKK 13 million in Q1 2014
- The investments in the first quarter of 2015 were primarily related to maximise production output in Germany and the UK





Net interest-bearing debt and equity

- Net interest-bearing debt was DKK 643 million at 31 March 2015, up DKK 14 million on 31 March 2014
- Credit facility of DKK 712 million with Danske Bank, committed until 15 February 2018. H+H will continue to be dependent on debt financing the coming years
- New issue of shares completed 18 March 2015 increased equity by DKK 42 million net

Outlook for 2015

Outlook for 2015

We reiterate our outlook for 2015

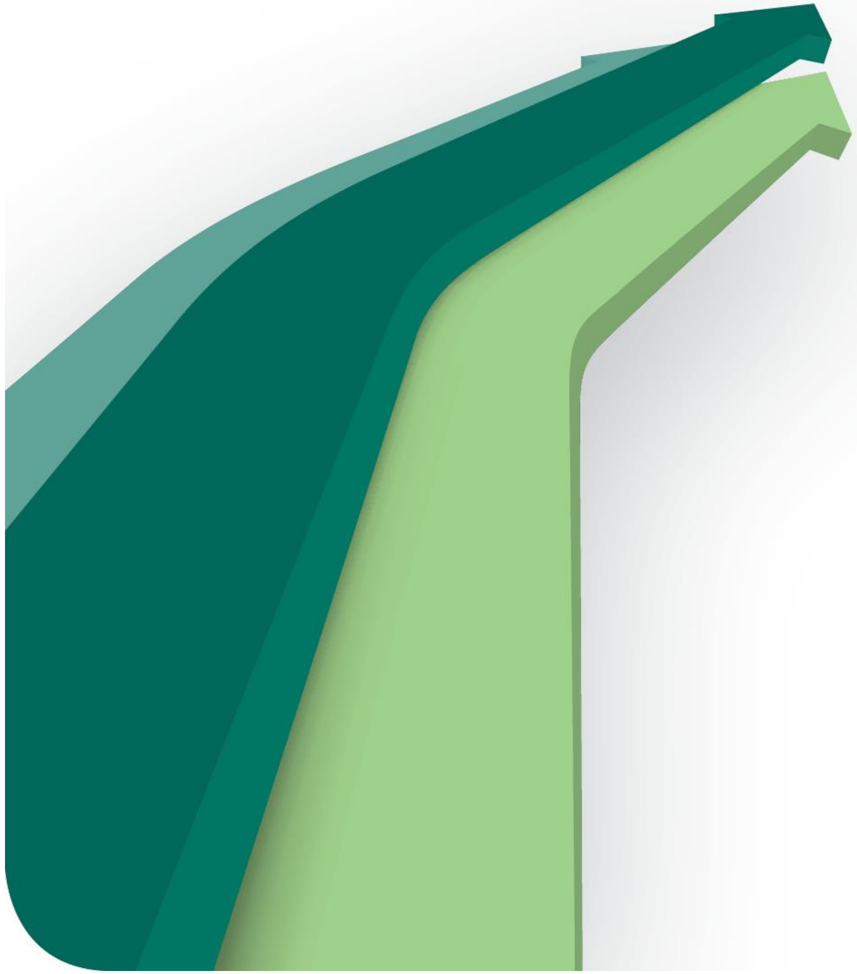
- Organic revenue growth is expected to be 6-8%
- EBITDA before special items is expected to be DKK 150-170 million
- EBIT margin of 3-4%
- Investments excluding acquisitions and divestments are expected to be DKK 60 million, including the DKK 20 million to support the restructuring in Poland
- Badwill and restructuring costs in Poland will be recognised under special items

Comments to outlook for 2015

The expectations for H+H's financial performance in 2015 are based partly on the following specific assumptions:

- Economic growth of around 0-3% in our geographical footprint
- The operational excellence programme continues and reduces production costs further
- Exchange rates, primarily for GBP, EUR, PLN and RUB, hold at their mid-May 2015 levels
- Energy and raw material prices rise only in line with inflation from their mid-May 2015 levels
- Lower sales volume and lower margins in Russia due to the uncertainty about the economy and expectation of increasing inflation, but still a profit after tax for the Russian subsidiary
- Market conditions in Poland improve and the restructuring plan runs to schedule
- For other markets the geopolitical situation does not result in changed market conditions

Long-term financial targets



EBIT margin
(operating margin)
Min. 6%

ROIC
(return on invested capital)
Min. 10%

NIBD
(net interest-bearing debt)
Max. 2-3 times EBITDA

Q & A