Investor presentation H1 2015

19 August 2015

H+H

Forward-looking statement

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Agenda

- Highlights H1 2015
- Financial performance
- Grupa Prefabet
- Balance sheet items
- Outlook for 2015
- Q&A

Highlights H1 2015

Highlights H1 2015

- Organic growth in the second quarter was 11.2% (adjusted for acquisitions and measured in local currency)
- Growth in all markets except for Russia. Activity in Russia is volatile and visibility is low
- EBIT margin before special items was 7.3% in the second quarter and 4.1% for the first half before special items
- The financial figures YTD are impacted by the Grupa Prefabet transaction. The integration plan is running to schedule
- H+H updates its outlook for 2015. EBITDA before special items is expected to be DKK 160-180 million, against the previously announced DKK 150-170 million

Financial performance H1 2015

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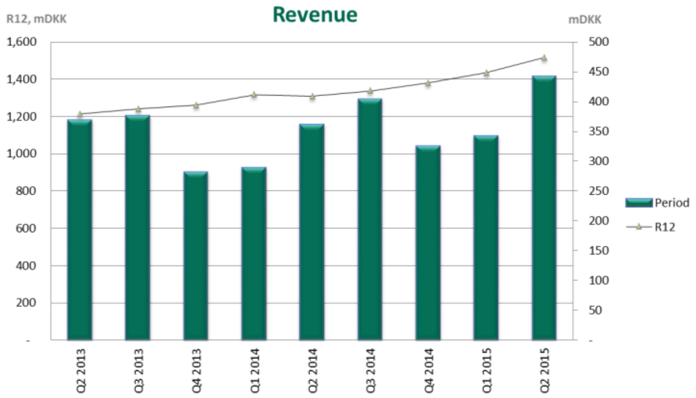
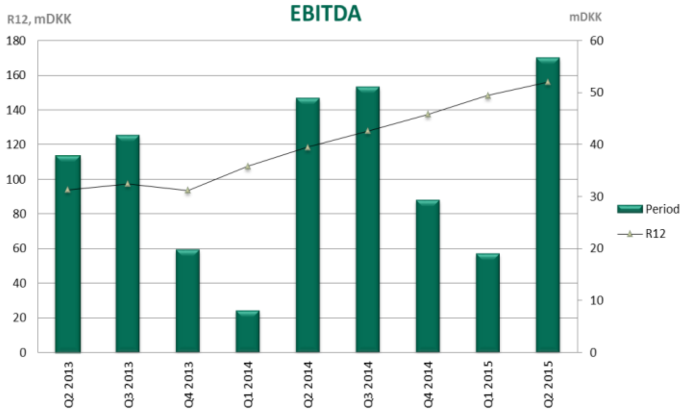
Group financial performance

Q2 2015

- Revenue up 22.6%, organic growth of 11.2% on Q2 2014. Growth in all markets except for Russia
- Gross margin in second quarter was 25.1%, against 25.7% in Q2 2014. The decrease is due to an unfavourable geographical sales mix
- EBITDA was DKK 59 million before special items against DKK 49 million in Q2 2014
- Special items were negative of DKK 3 million, consist of restructuring of the sales organisations in Scandinavia
- Profit before tax from continuing operations for the period DKK 22 million against profit of DKK 16 million in Q2 2014





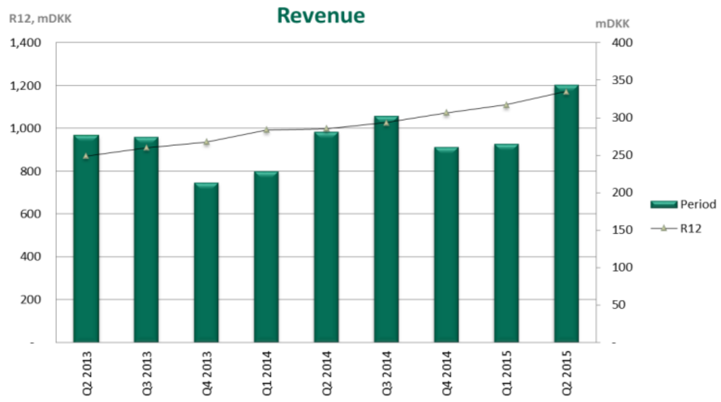
Year to date

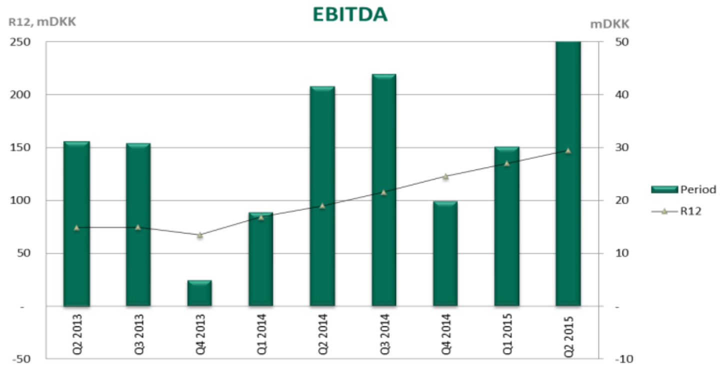
- Revenue up 20.8% on H1 2014 from combination of strong organic growth in the Western European segment and the acquisition of Grupa Prefabet
- Gross margin was 23.2%, against 22.7% in H2 2014. Average selling prices were higher than last year but partly offset by higher indirect production costs and sales mix
- EBITDA was DKK 78 million before special items against DKK 58 million in H1 2014
- Special items were positive with DKK 28 million and consist of restructuring costs mainly related to Poland
- Profit before tax from continuing operations for the first half was DKK 41 million against loss of DKK 9 million in H1 2014

Segments – Western Europe

Q2 2015

- Revenue up 22.3% on Q2 2014, organic growth was 14.2%. This is based on growth in all the markets and with the UK as the main driver
- EBITDA was DKK 51 million before special items against DKK 42 million in Q2 2014
- Profit before tax of DKK 35 million against profit of DKK 22 million in Q2 2014
- Significant positive result impact from the GBP increase against same period last year





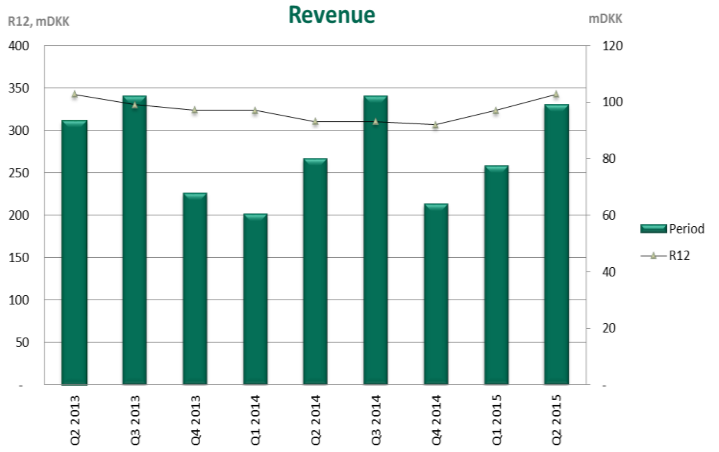
Year to date

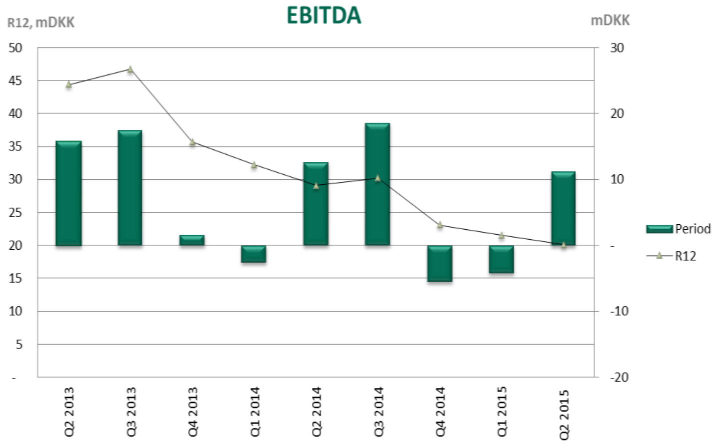
- Revenue up 19.5% on H1 2014. Also for the half year there is growth in all the markets and the UK is the main driver
- EBITDA was DKK 81 million before special items against DKK 59 million in H1 2014
- Profit before tax of DKK 47 million against profit of DKK 20 million in H1 2014
- Significant positive result impact from the GBP increase against same period last year

Segments – Eastern Europe

Q2 2015

- Revenue up 23.7% on Q2 2014, organic growth was 0.5%
- EBITDA was DKK 11 million before special items against DKK 13 million in Q2 2014
- Loss before tax of DKK 3 million, against profit of DKK 0 million in Q2 2014
- Negative result impact from the RUB decrease against same period last year





Year to date

- Revenue up 25.6% on H1 2014, mainly due to the acquisition of Grupa Prefabet
- EBITDA was DKK 7 million before special items against DKK 10 million in H1 2014
- Profit before tax of DKK 16 million, against loss of DKK 15 million in H1 2014
- Negative result impact from the RUB decrease against same period last year
- Activity in Russia is volatile and visibility is low
- The Polish market was impacted by the Grupa Prefabet transaction

Grupa Prefabet

Restructuring plan – goals set out and achievements

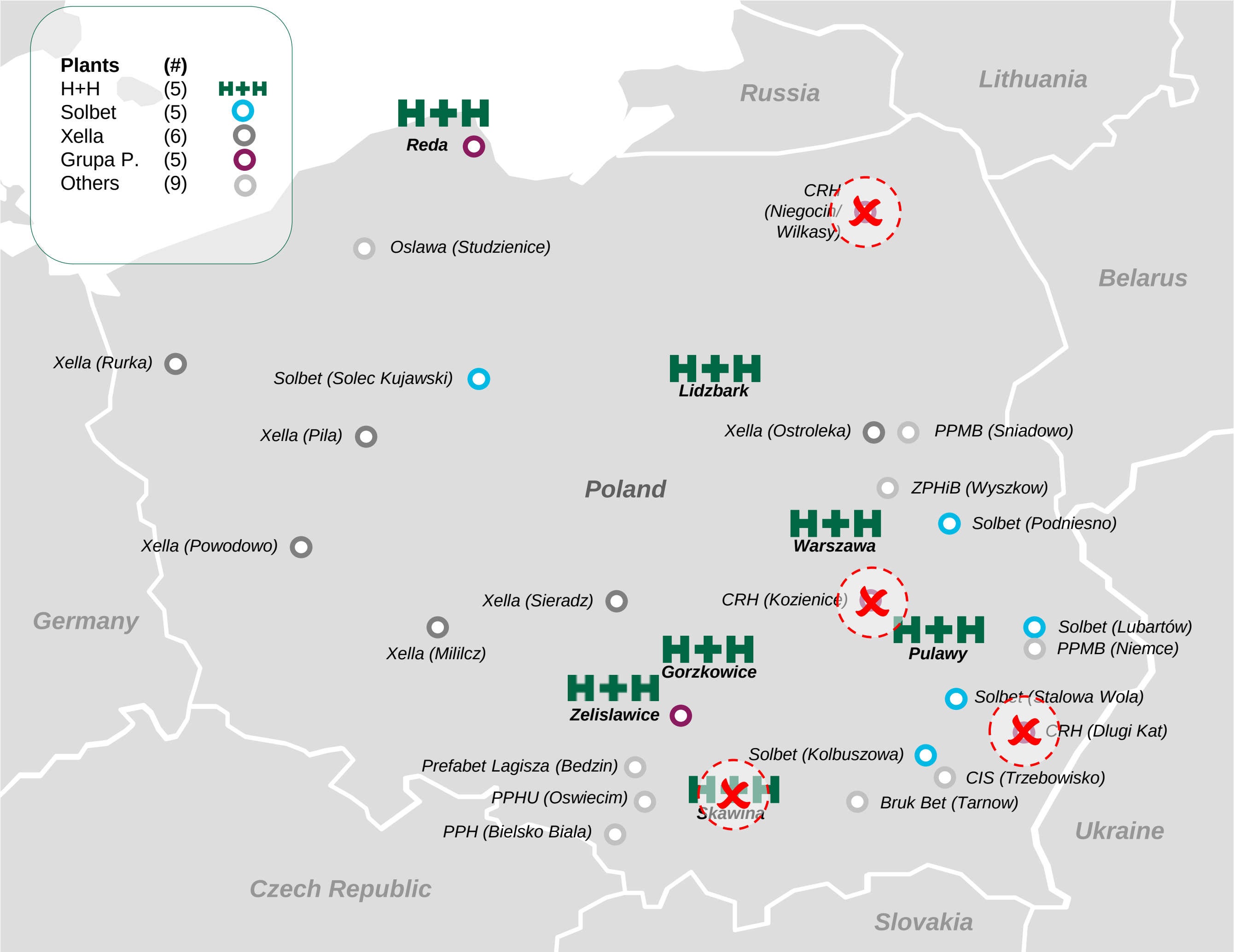
- ✓ Closedown of four factories – is done
- ✓ Reduce net working capital by DKK 20 million in 2015 – DKK 22 million achieved in H1 2015
- Integration costs of DKK 20 million in 2015
- EBITDA before special items to improve by DKK 10 million in 2015 – is included in outlook for 2015
- Investments of DKK 20 million in 2015 and 2016 – various investment plans are being evaluated, financial projections unchanged
- Sale of assets for DKK 70 million in 2015-2017 – DKK 22 million conditional sale expected to be finalised in Q4 2015
- 6% EBIT margin in 2018

Closedown of four factories

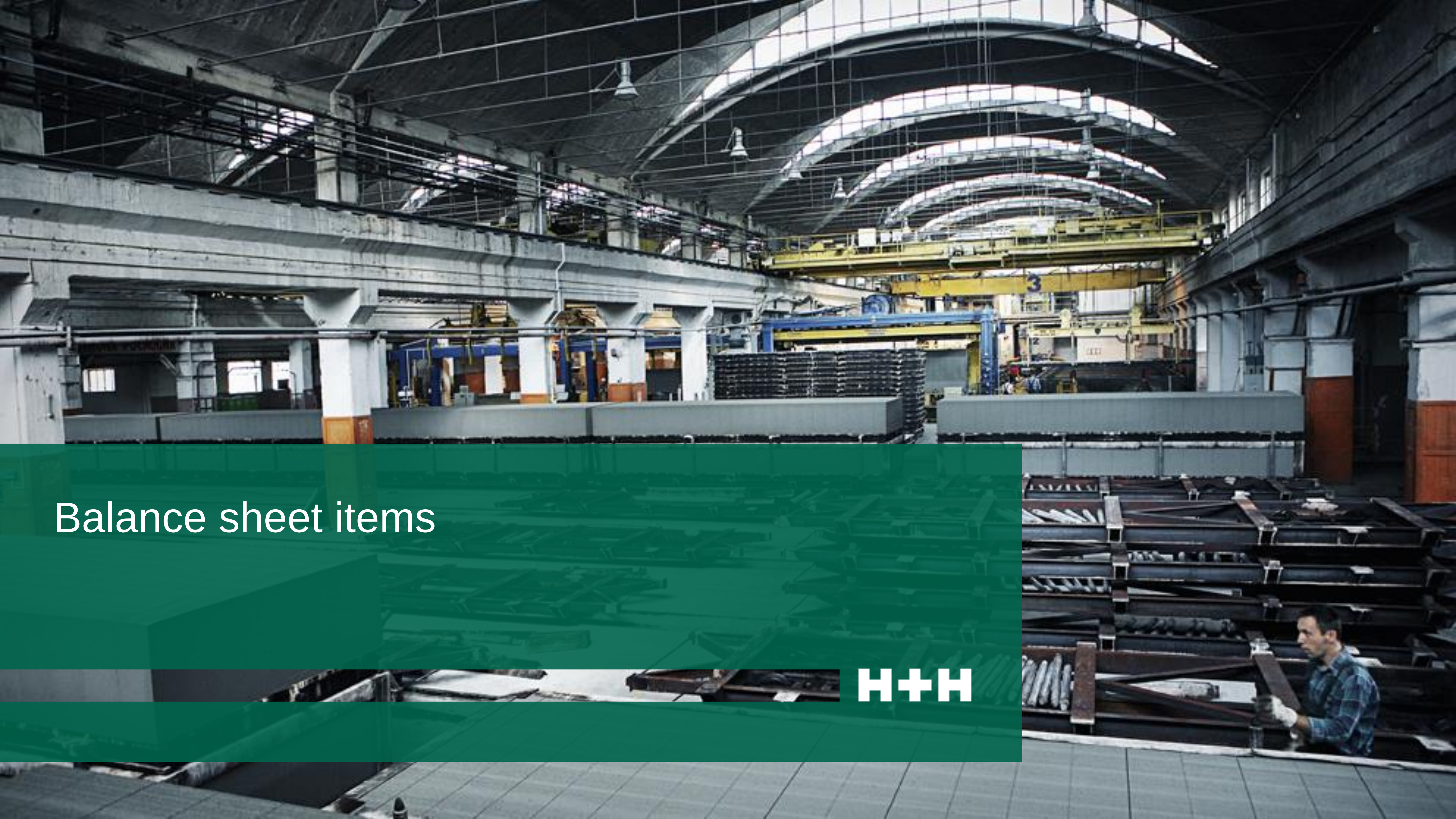
- 3 Grupa Prefabet factories stopped production in Q1 2015 and remaining stocks are to be sold during 2015

- 1 existing H+H factory permanently closed, mothballed since November 2013

- Capacity removed from the market is more than 850,000 m^3 corresponding to 12-14% of estimated production capacity in the market before the transaction

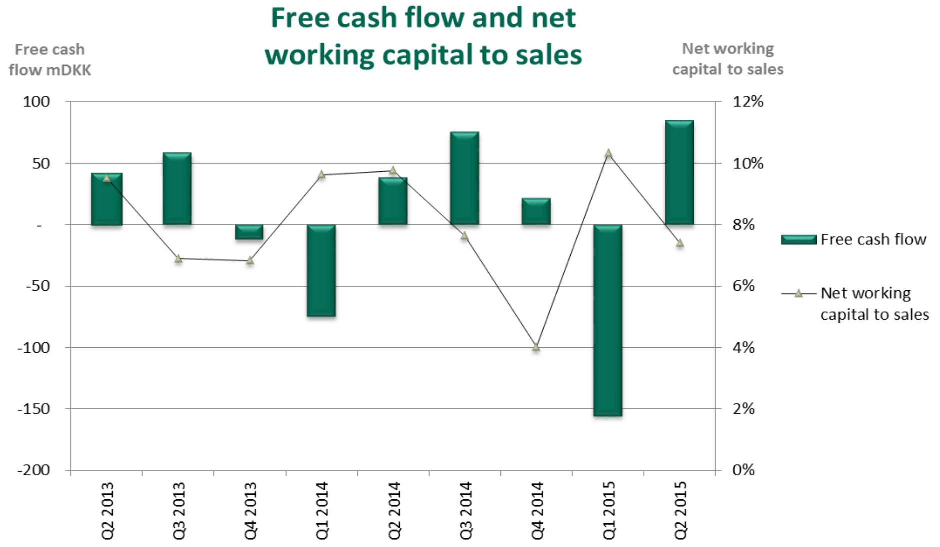


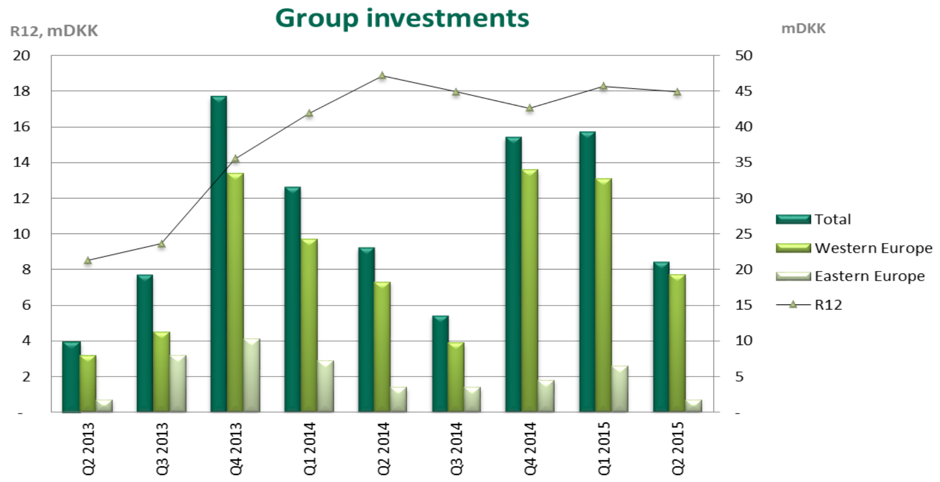
Balance sheet items



Free cash flow and investments

- Free cash flow was DKK 85 million, against DKK 38 million in Q2 2014
- The ratio of net working capital to sales decreased from 9.8% on 30 June 2014 to 7.4% on 30 June 2015, mainly driven by lower trade debtors
- Investments of DKK 10 million against DKK 9 million in Q2 2014
- The investments in the second quarter of 2015 were primarily related to maximising production output in the UK and lean initiatives in Germany





Net interest-bearing debt and equity

- NIBD debt was DKK 560 million at 30 June 2015, down DKK 35 million on 30 June 2014
- NIBD over EBITDA ratio was 3, adjusted for special items the ratio was 3.5
- 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
- Equity was DKK 222 million at 30 June 2015, up DKK 70 million since beginning of the year
- ROIC was 12.6%, adjusted for special items ROIC was 8.9%

Outlook for 2015

Outlook for 2015

H+H updates the outlook for 2015

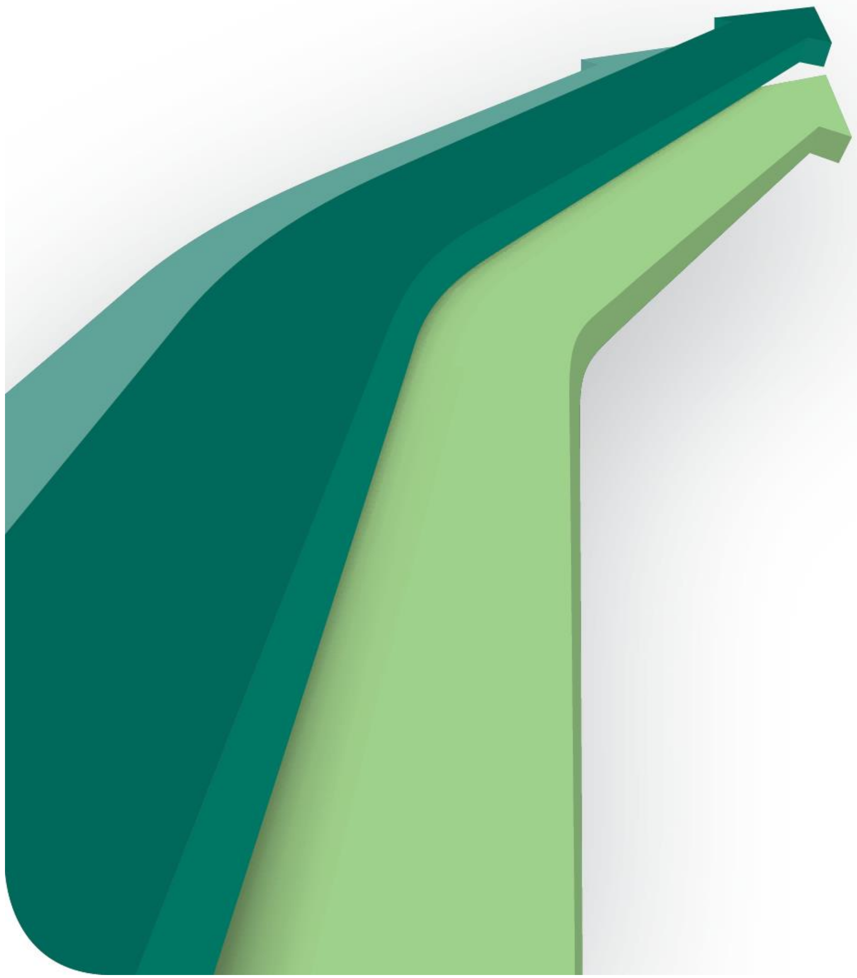
- Organic revenue growth is expected to be in the region of 10%, against the previously announced 6-8%
- EBITDA before special items is expected to be DKK 160-180, against the previously announced DKK 150-170 million
- EBIT margin is expected to be 4-5%, against the previously announced 3-4%
- Investments excluding acquisitions and divestments are expected to be DKK 60 million, including DKK 20 million to support the restructuring in Poland.

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-August 2015 levels
- Energy and raw material prices rise only in line with inflation from their mid-August 2015 levels
- Lower sales volume and lower margins in Russia due to the uncertainty about the economy and expectation of increasing inflation, but with a profit before tax
- Market conditions in Poland improve
- 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