



Investor meeting, Jyske Bank,
Copenhagen, 30 November 2006

ROCKWOOL[®]
FIRESAFE INSULATION

Agenda

1. Welcome
2. Main results from Q1-Q3 2006
3. Group development
4. Expectations full year 2006
5. Questions

The statements on the future in this presentation, 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.

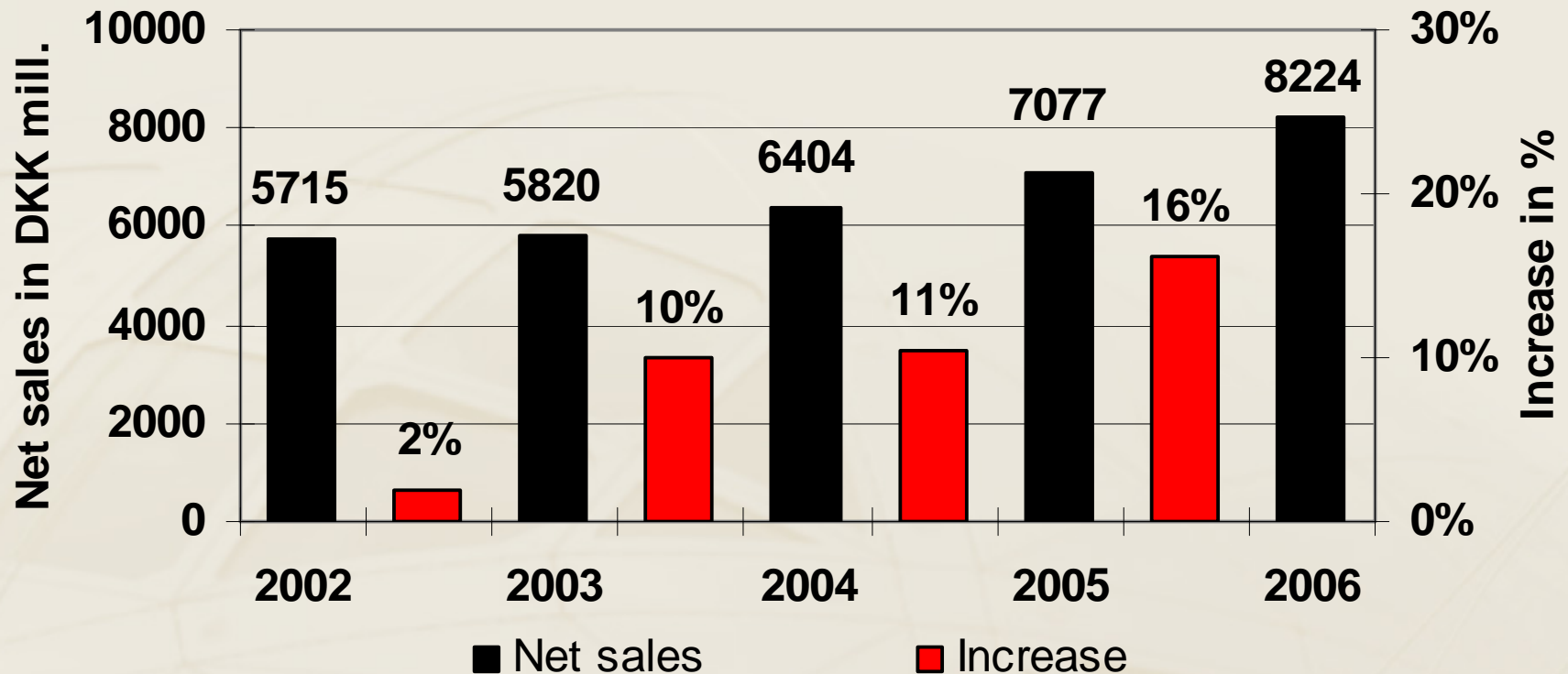


Main results from Q1-Q3 2006



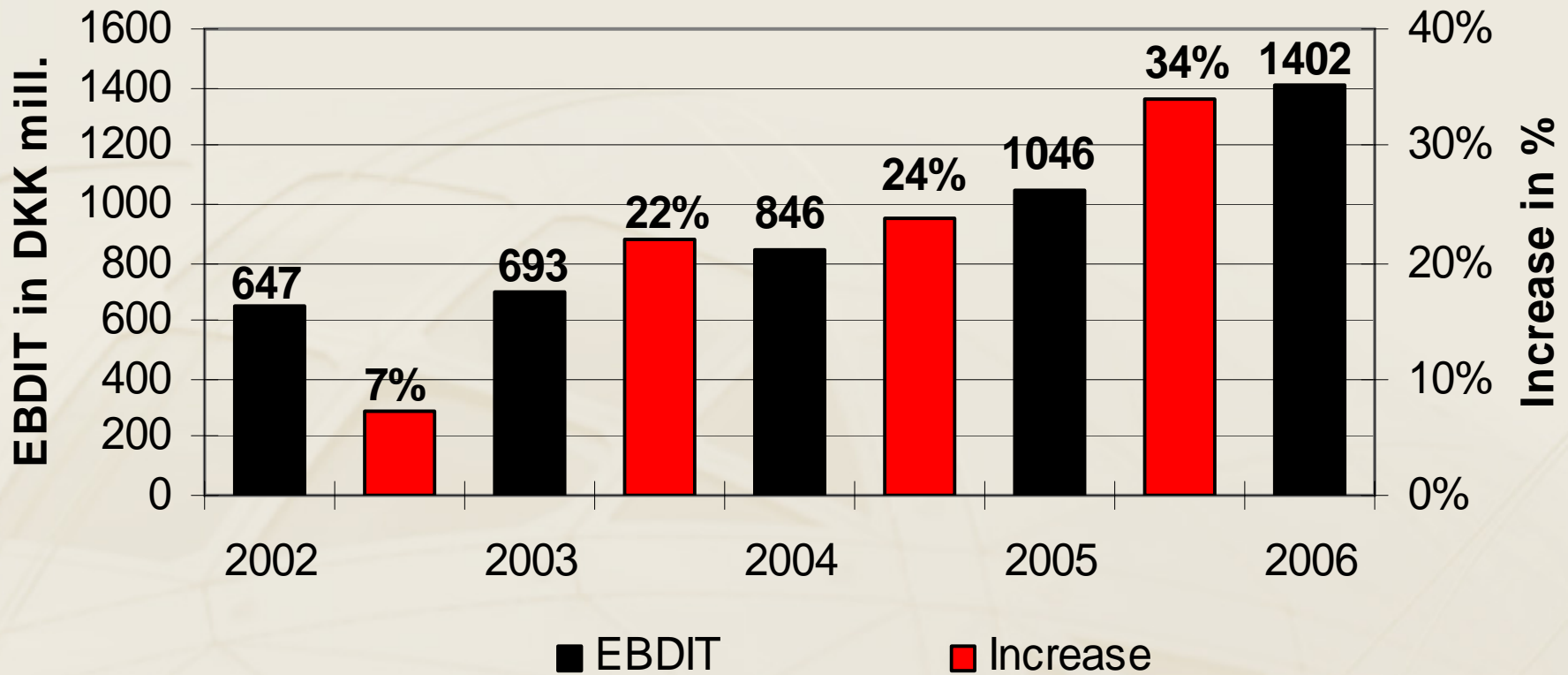
Net sales first 9 months

Net sales in the first 9 months increased by 16%
- Q3 growth alone was 12,9%



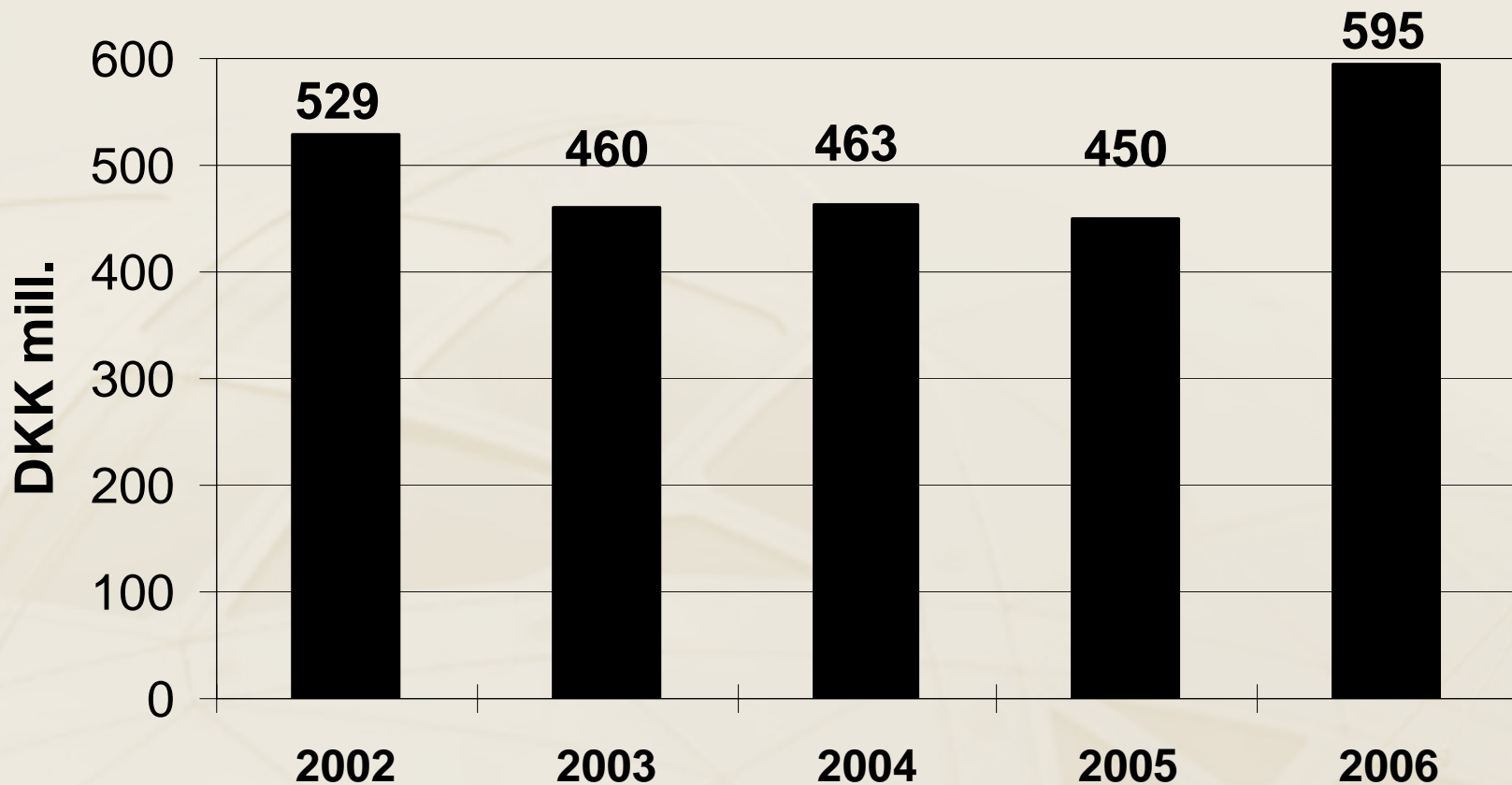
EBDIT first 9 months

EBDIT in the first 9 months increased by 34%
- Q3 growth alone was 19,1%



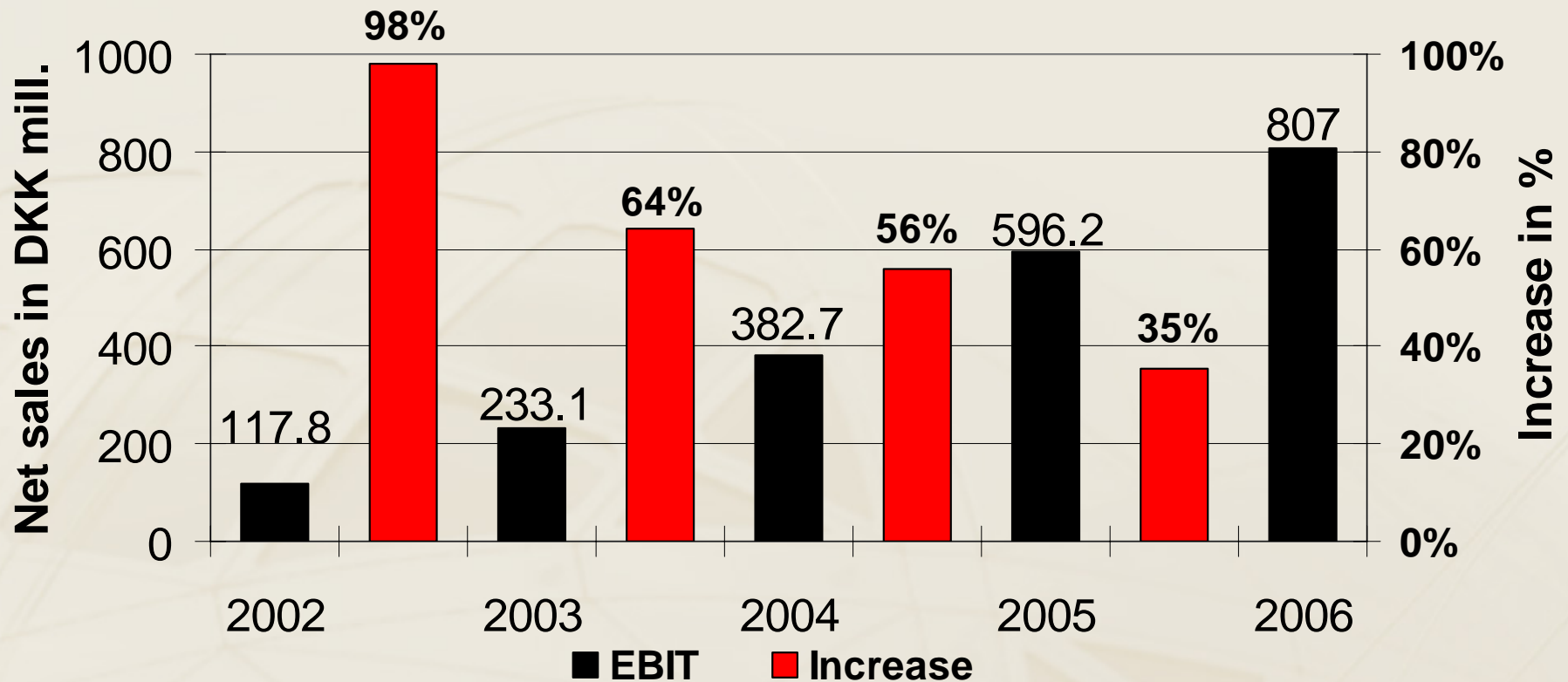
Depreciation first 9 months

Depreciation in the first 9 month increased by 32%
- Q3 growth alone was 6,2%



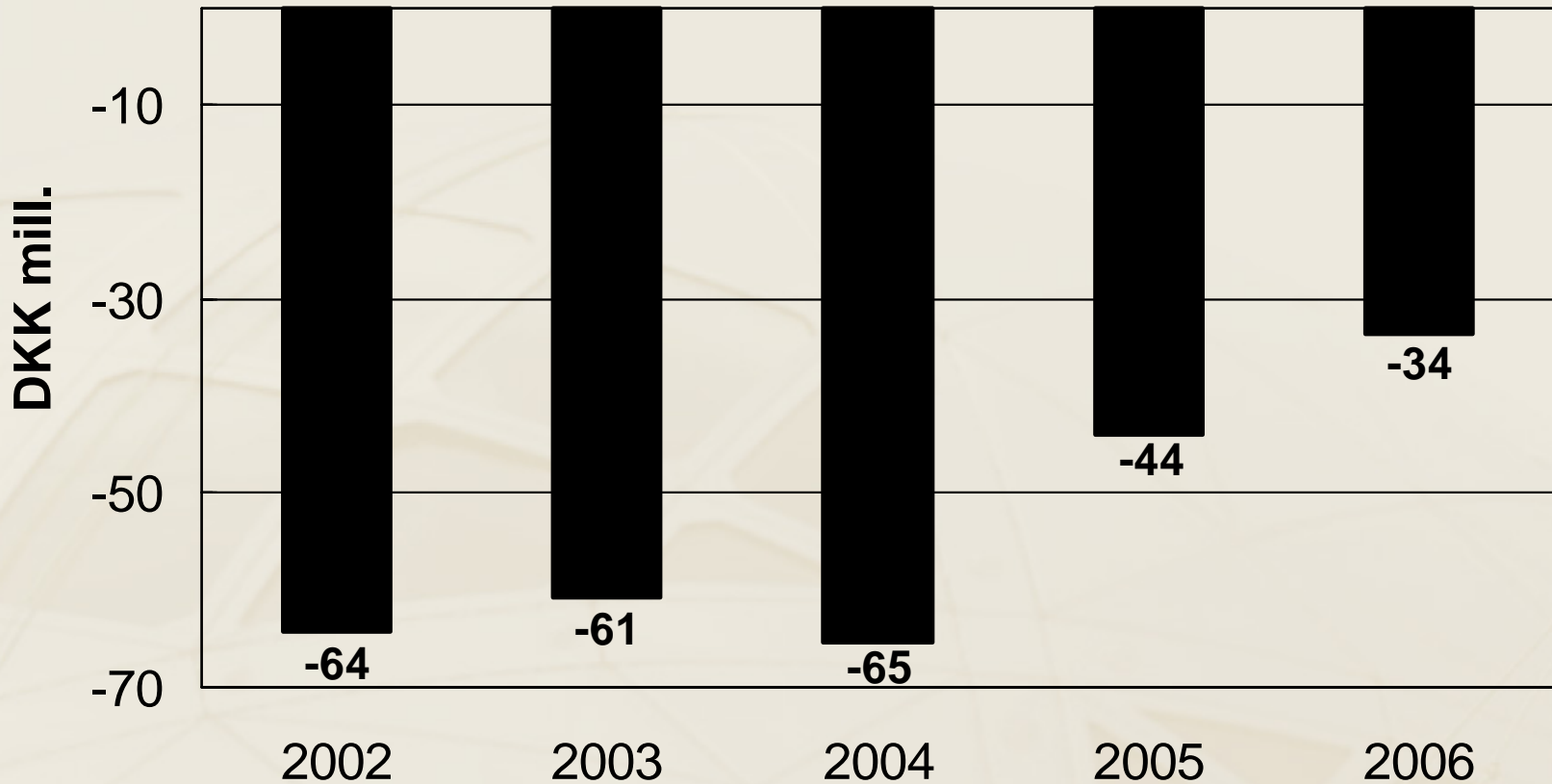
EBIT first 9 months

EBIT in the first 9 months increased by 35%
- Q3 growth alone was 26,1%



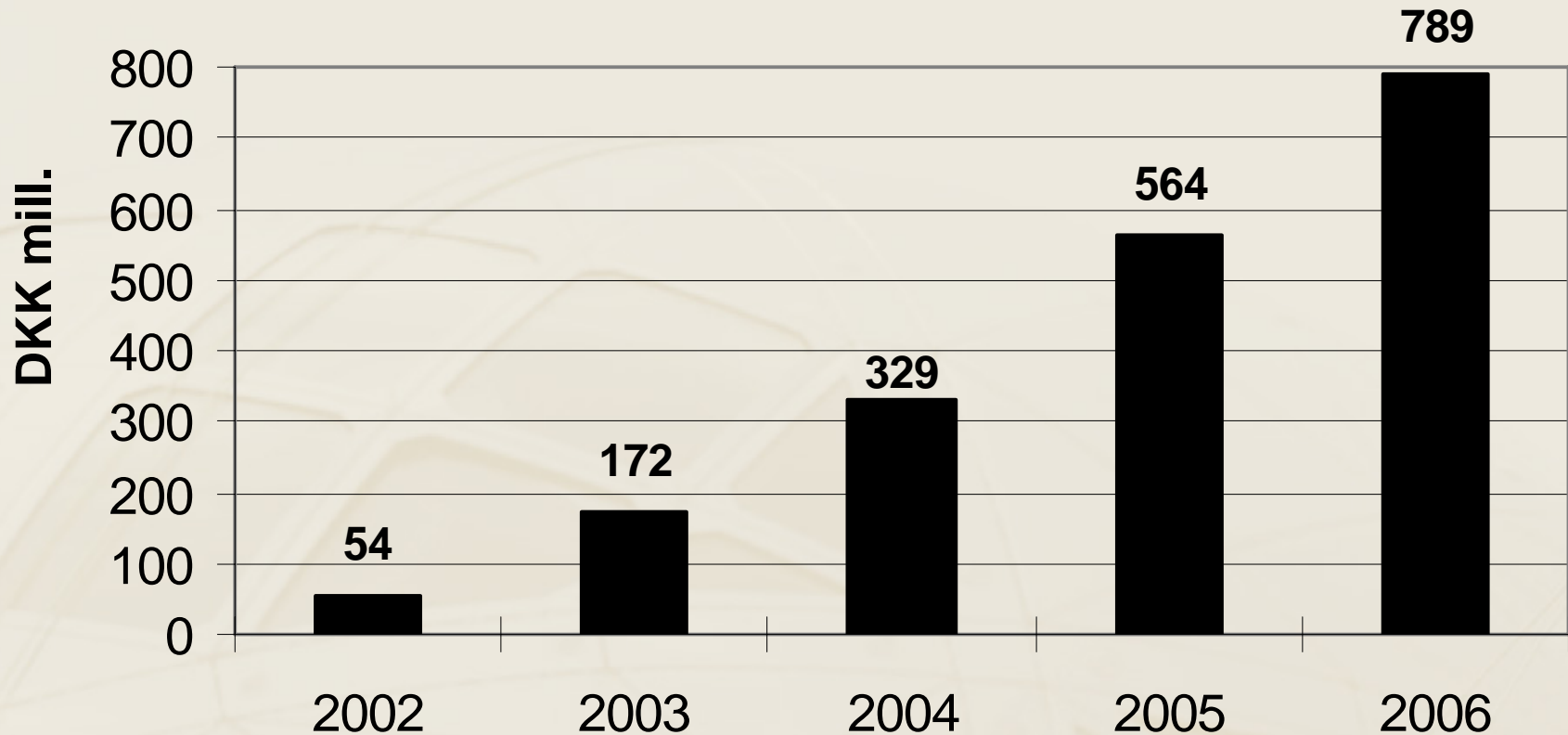
Financial items first 9 months

Financial items in the first 9 months decreased by 23%
- Q3 decrease alone was -82,8%



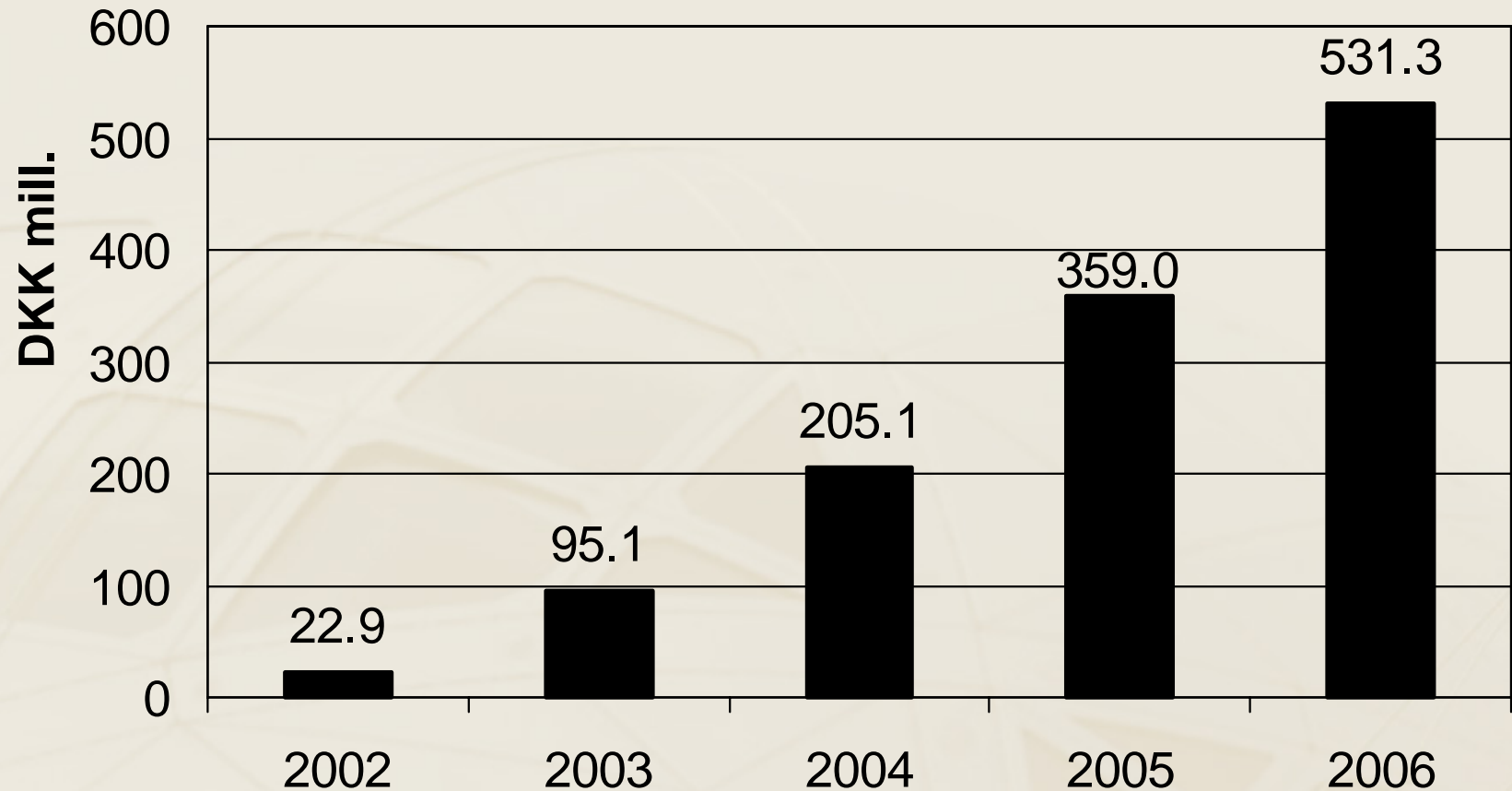
Profit before tax first 9 months

Profit before tax in the first 9 months increased by 40%
- Q3 increase alone was 37,1%

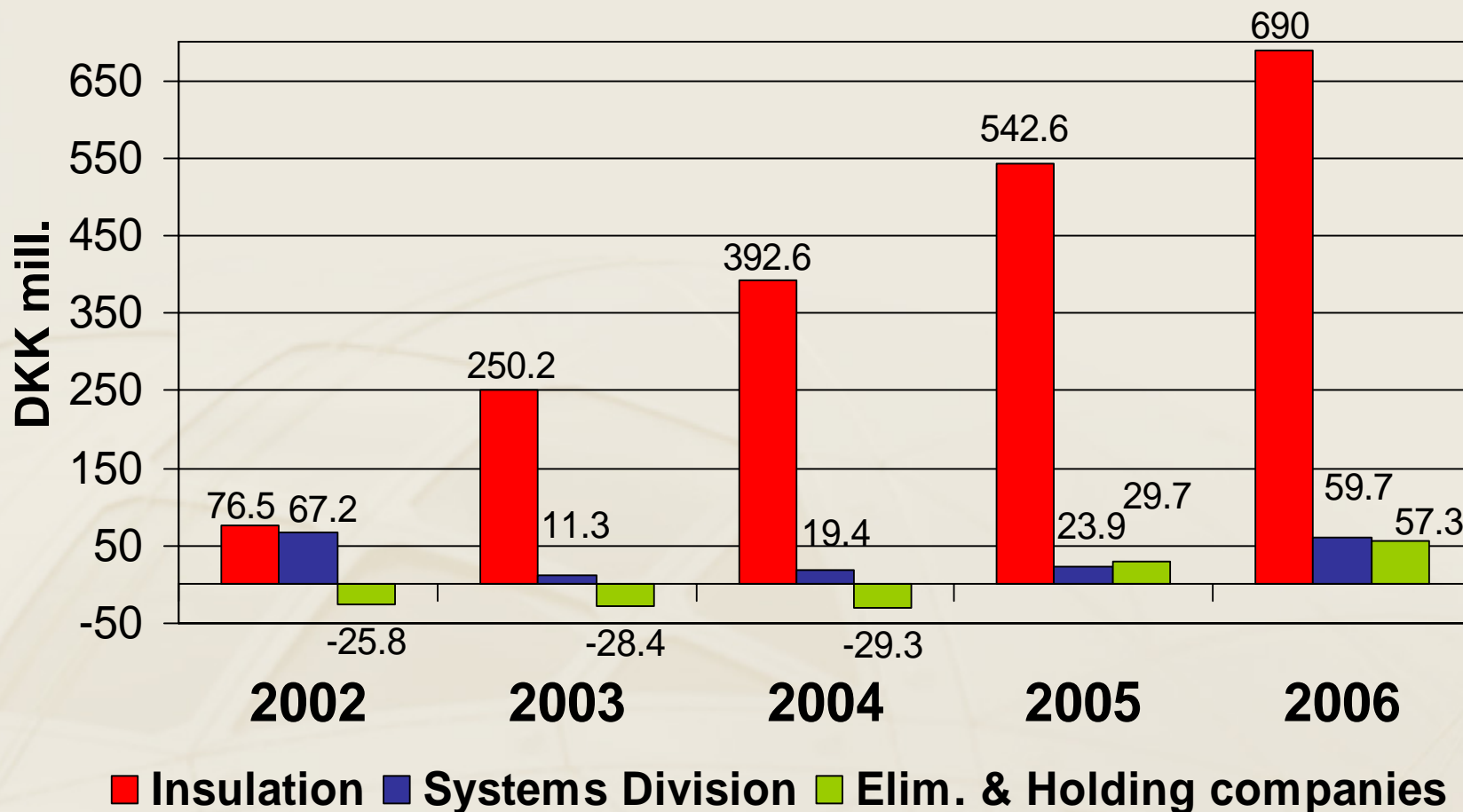


Profit first 9 months after minority interests

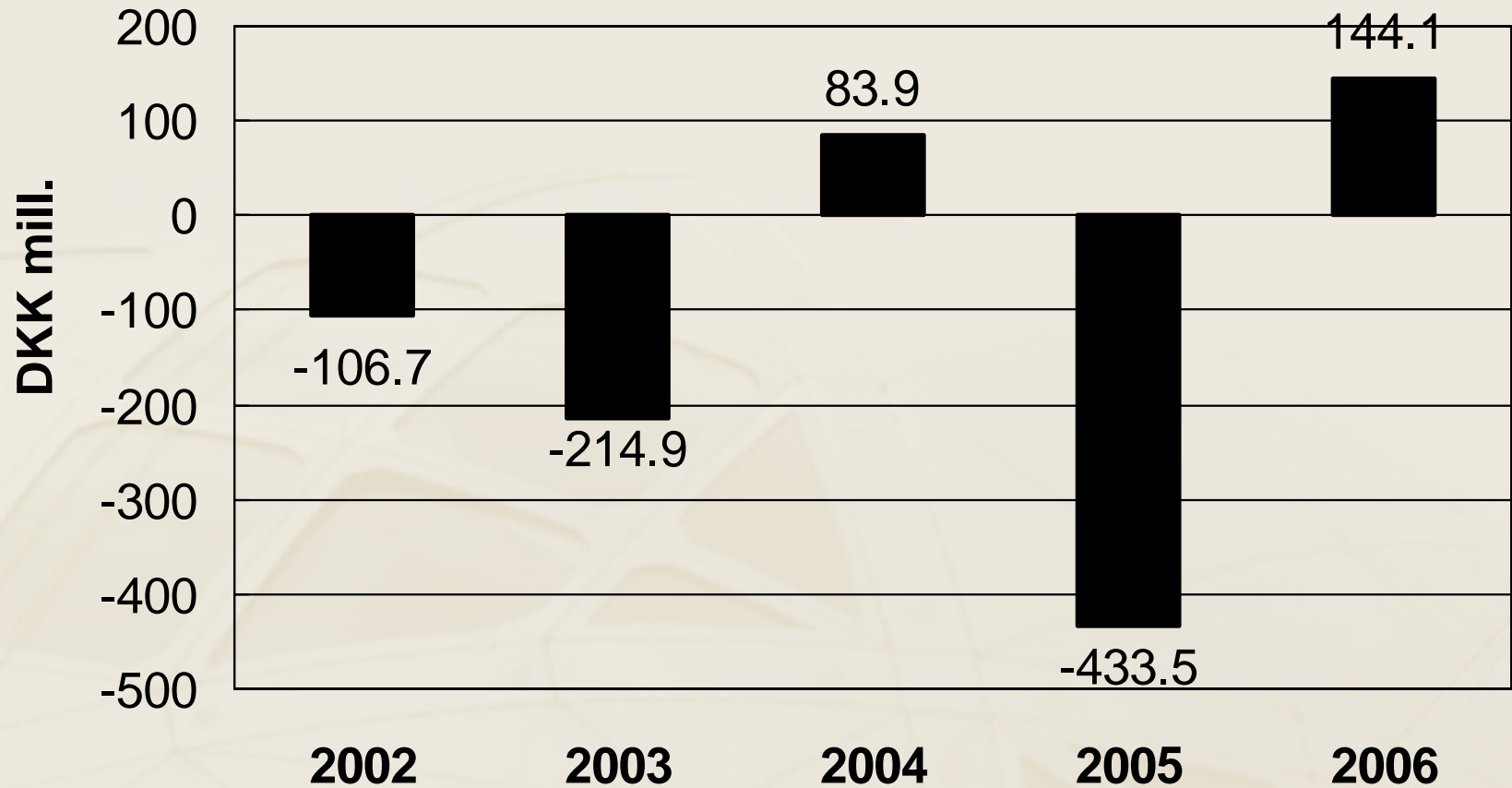
Profit in the first 9 months after minority interests increased by 48% - Q3 increase alone was 37,3%



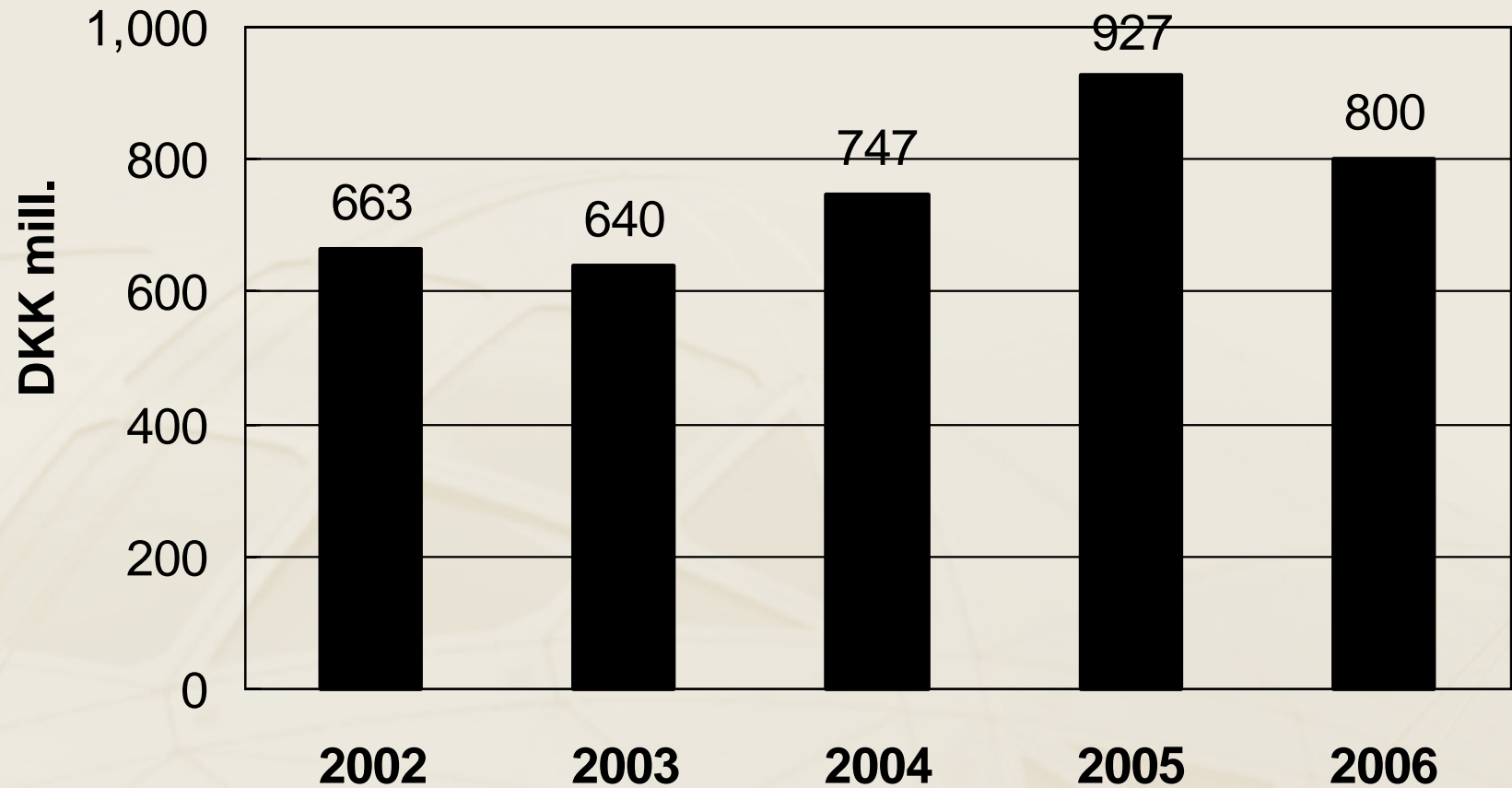
EBIT first 9 months per business segment



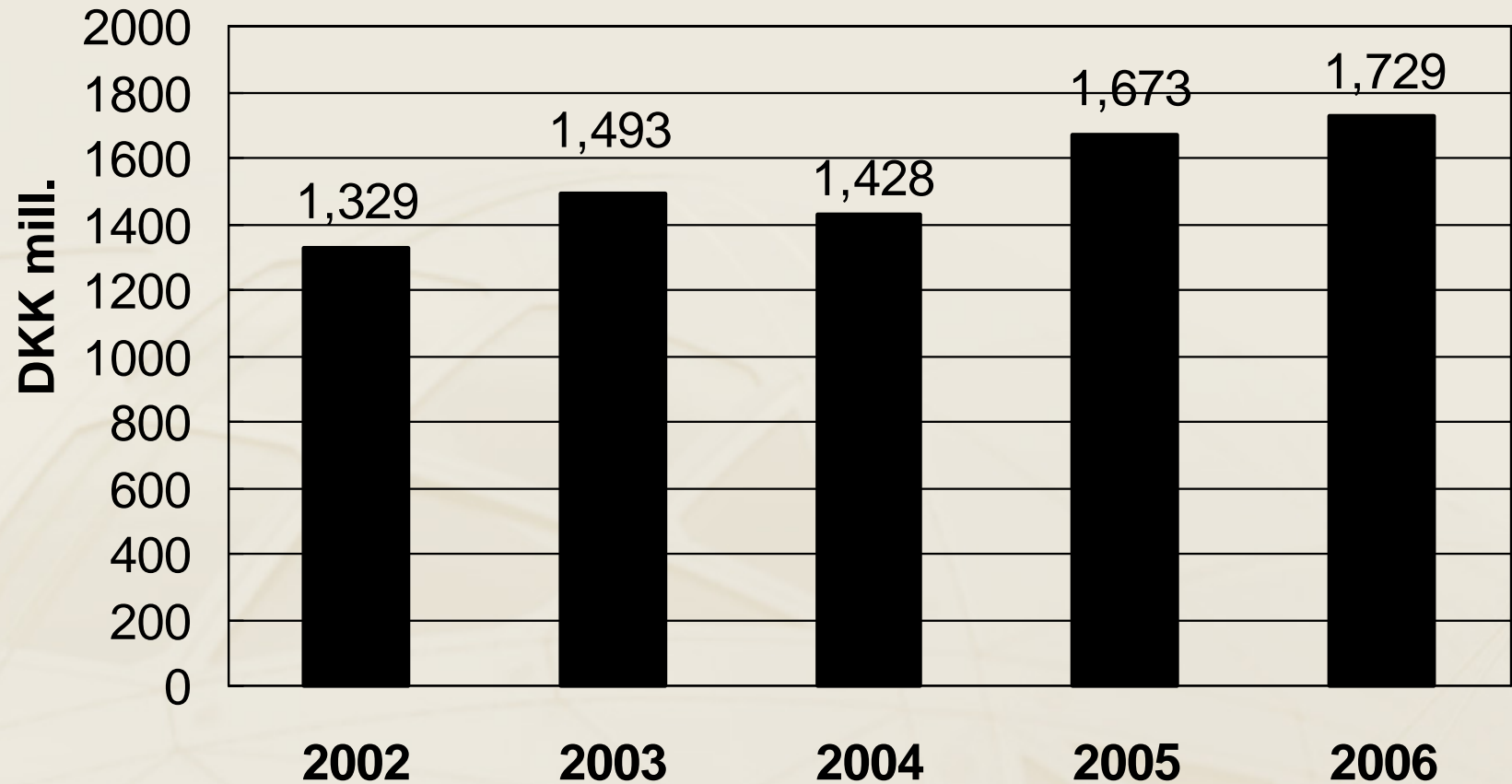
Change in working capital first 9 months



Stocks end of first 9 months



Debtors end of first 9 months



Development of the Group



build7desk[®]
save your energy



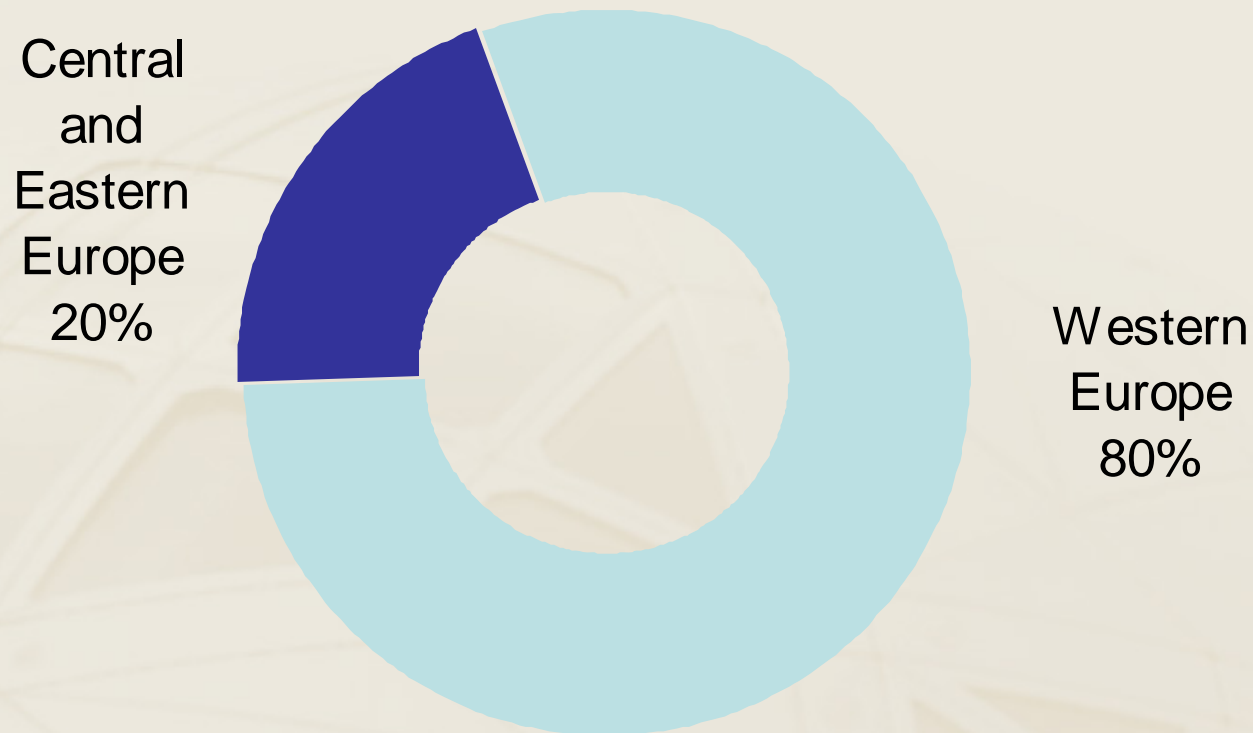
Key points

1. Market development
 - European building insulation market
 - Other markets
2. The capacity situation
3. Legislative opportunities
 - EPBD
 - ESD
 - EAP



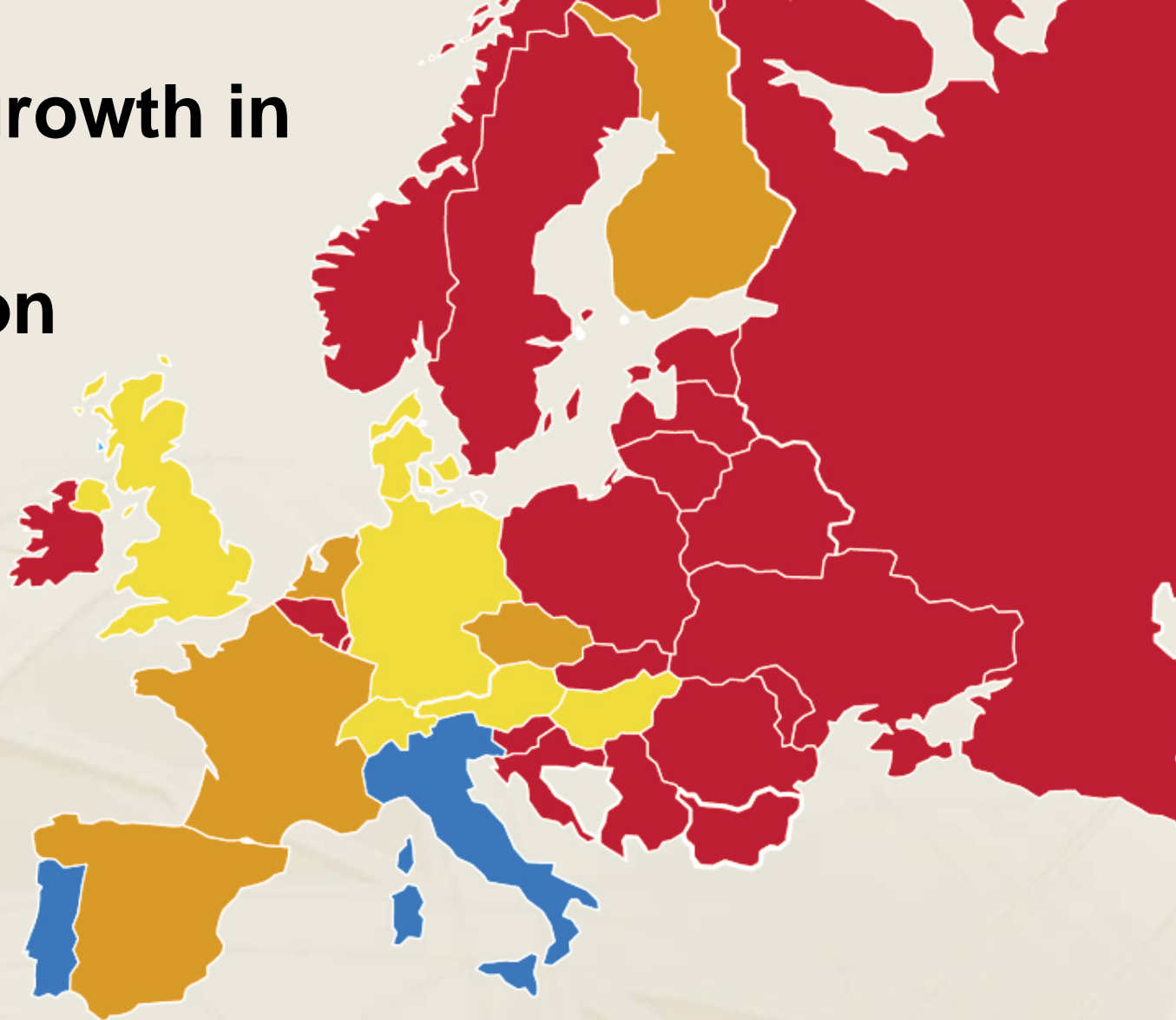
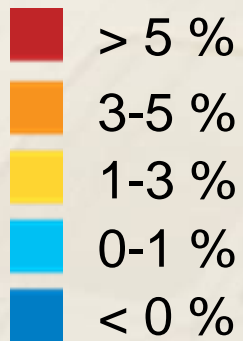
Estimate of European insulation market

- Total market volume = DKK 50 bn.



Sources: Own estimates

Expected growth in European construction markets in 2006



Sources: Euroconstruct June 2006 et al.

European building insulation market

- **No lasting negative effect on the increasing building industry activity** from rising inflation (incl. energy prices), interest rates and regional shortage of certain building materials
- **Increased focus on energy efficiency** in buildings – in particular from the legislator. The total European insulation market will outgrow the building market – 4 to 6% by 2009 compared to today
- The **residential market** will remain stable at the rather high levels of previous years
- The **non-residential market** will grow in line with the generally positive macroeconomic picture

European building insulation market

- **The refurbishment market** is growing, fuelled by high energy prices and **new financial incentives**:
 - In Germany EUR 1.4 bn/year for increased energy efficiency in existing dwellings. The interest has been overwhelming
 - Incentive programmes being introduced in many other countries e.g. France, Spain and the UK.

European building insulation market - CEE is picking up pace

Phase 1

Shopping
Centres

Phase 2

Factories &
domiciles

Phase 3

Private home
investment

Phase 4

Renovation
old flats

Ukraine,
Romania,
Bulgaria

Czech Republic,
Slovakia,
Hungary

Poland, Russia
(Moscow +
St. P)

Other markets

- The building insulation market in North America remains satisfactory despite the current downturn in newbuild
- The technical insulation market is growing fast due to a general under capacity in the petrochemical and power generation industries
- The horticultural greenhouse industry continues to suffer from high energy prices. Despite this, our Grodan business is making good progress

European competitive landscape

- The industry is largely sold out
- Customers are facing delivery times
- Several producers are expanding production capacity
- Competitor landscape stable, however, Finnish stone wool and sandwich panel producer Paroc was acquired by capital fund Arcapita earlier this year

Building capacity

- The Rockwool Group is presently establishing new capacity – both greenfield as well as at existing facilities – in order to match the expected market growth in the coming years

Geographic expansion



Building capacity

- The Rockwool Group is presently establishing new capacity – both greenfield as well as at existing facilities – in order to match the expected market growth in the coming years
- Five major capacity investments are currently being considered for start-up in 2007

Legislative opportunities

- The Energy Performance of Buildings Directive (EPBD) enforces:
 - Building regulations must be based on total energy performance calculations
 - Energy certification (incl. advise on energy efficiency improvement measures) of buildings which are constructed, sold or rented
 - National building regulations to be revised (= tightened) concerning energy efficiency every 5 years
 - Buildings > 1,000 m² must be upgraded to follow energy efficiency requirements when undergoing major renovation

Legislative opportunities

- No member states managed to fulfil all requirements concerning implementation by the target date 4 January 2006 but Germany and Denmark were close
- In a number of countries, energy requirements for new constructions are now strengthened as a consequence of the implementation
- Such strengthened requirements will usually impact the market with a 12 months delay due to the building cycle



Changes in energy requirements of new buildings

Country	Implementation period											Strengthening of energy requirements
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Austria	Red	Red	Green	Green	Green	Green	Green	Green	Green	Green	Green	
Belgium	Red	Red	Red	Red	Green	Green	Green	Green	Green	Green	Green	
The Czech Republic	Red	Red	Red	Red	Red	Green	Green	Green	Green	Green	Green	
Denmark	Red	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	25-30%
Finland	Red	Red	Green	Green	Green	Green	Green	Green	Green	Green	Green	
France	Red	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	15%
Germany	Red	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	0% - non-residential not finalized
Hungary	Red	Red	Green	Green	Green	Green	Green	Green	Green	Green	Green	30%
Italy	Red	Red	Red	Green	Green	Green	Green	Green	Green	Green	Green	
The Netherlands	Red	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	20% - non-residential not finalized
Norway	Red	Red	Red	Red	Green	Green	Green	Green	Green	Green	Green	20-25%
Poland	Red	Red	Red	Green	Green	Green	Green	Green	Green	Green	Green	
Slovakia	Red	Red	Red	Green	Green	Green	Green	Green	Green	Green	Green	
Spain	Red	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	20%
Sweden	Red	Red	Green	Green	Green	Green	Green	Green	Green	Green	Green	40-50% - only electric heated buildings
United Kingdom	Red	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	20-27 % - 20% residential, 27% non-residential

Legislative opportunities

Directive on energy end-use efficiency and energy services (ESD)

- Adopted in December 2005
- Enters into force in 2008
- Goal: To improve end-use energy efficiency in each member state with minimum 9% over a period of 9 years either through national initiatives and/or through obligations on energy providers to help end users improve energy efficiency
- We expect the ESD will have a market impact comparable to the EPBD

EU action plan for energy efficiency

Buildings a key element – the Commission will:

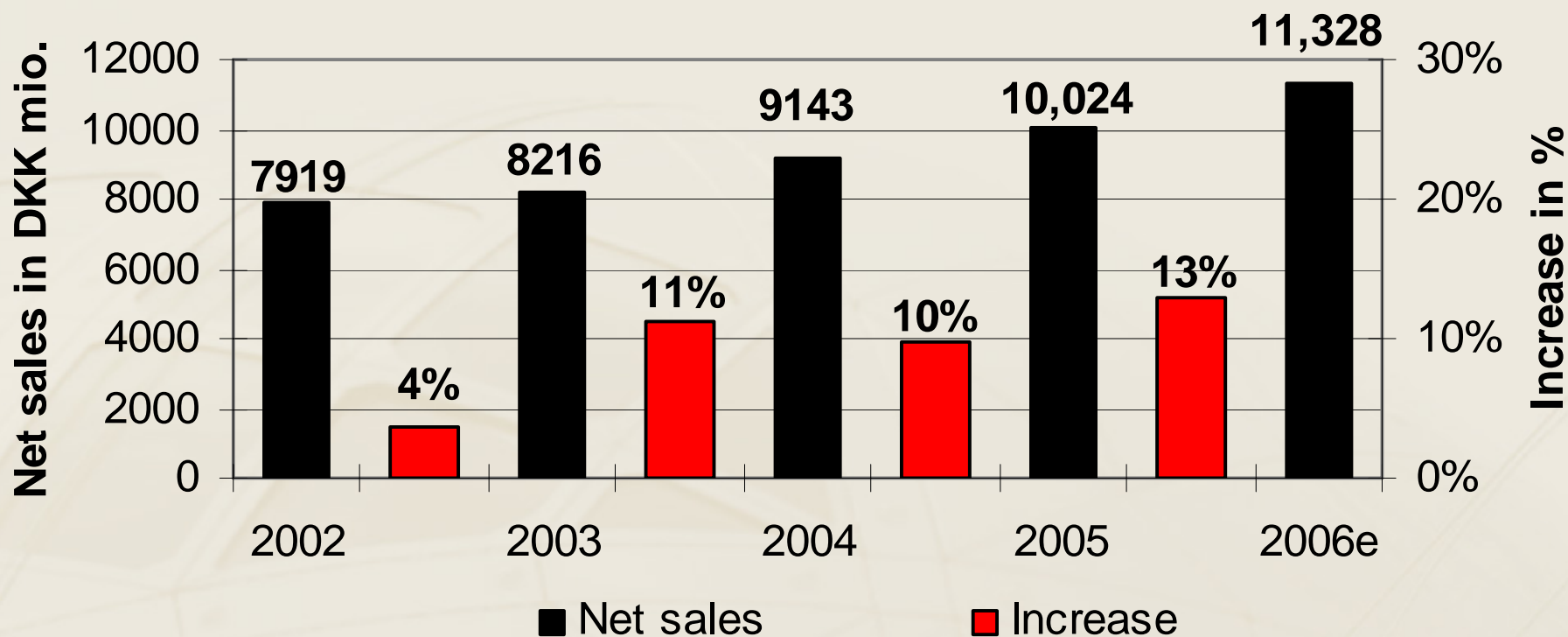
- Strengthen the EPBD by
 - lowering the 1000 m² threshold for minimum performance requirements for major renovations 2009
 - considering setting EU minimum performance requirements (kWh/m²) for new and renovated buildings and components
 - developing a strategy for very low energy or passive houses (before 2009) towards more wide-spread deployment of these houses by 2015
- Strengthen the ESD
- Remove legal barriers for energy efficiency
- Focus on information and financial support in member states (funds/subsidies, VAT/tax relief etc.)

Expectations full year 2006

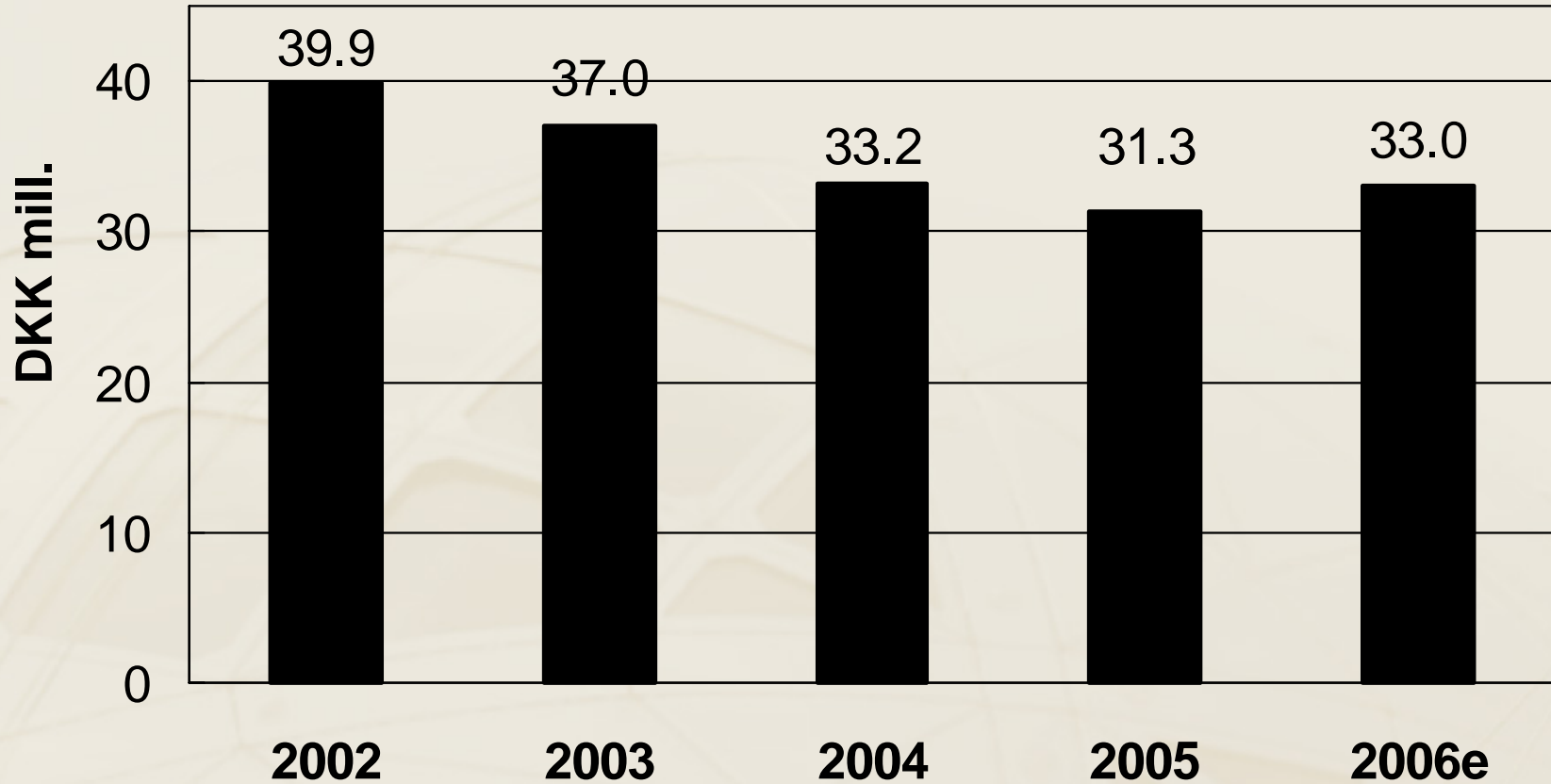


Net sales

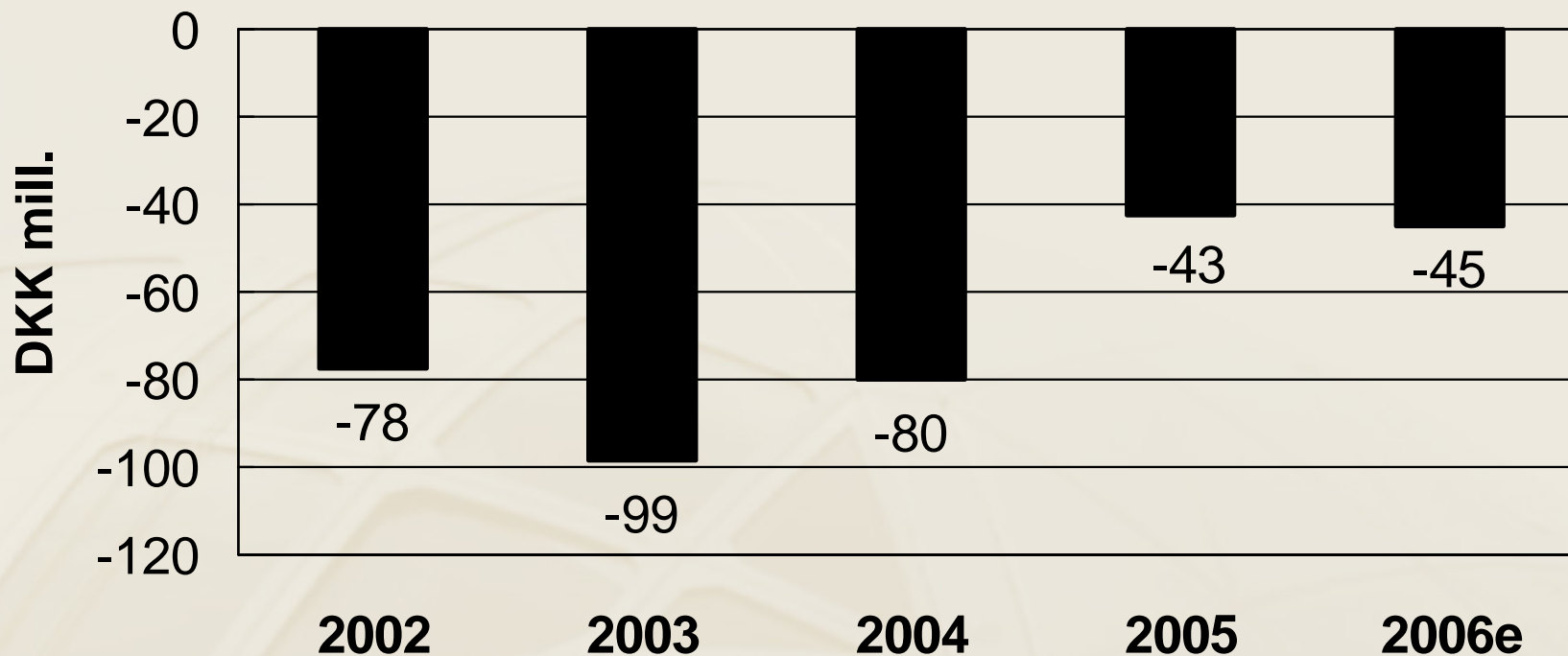
Net sales expected to grow by 13% from 2005 to 2006



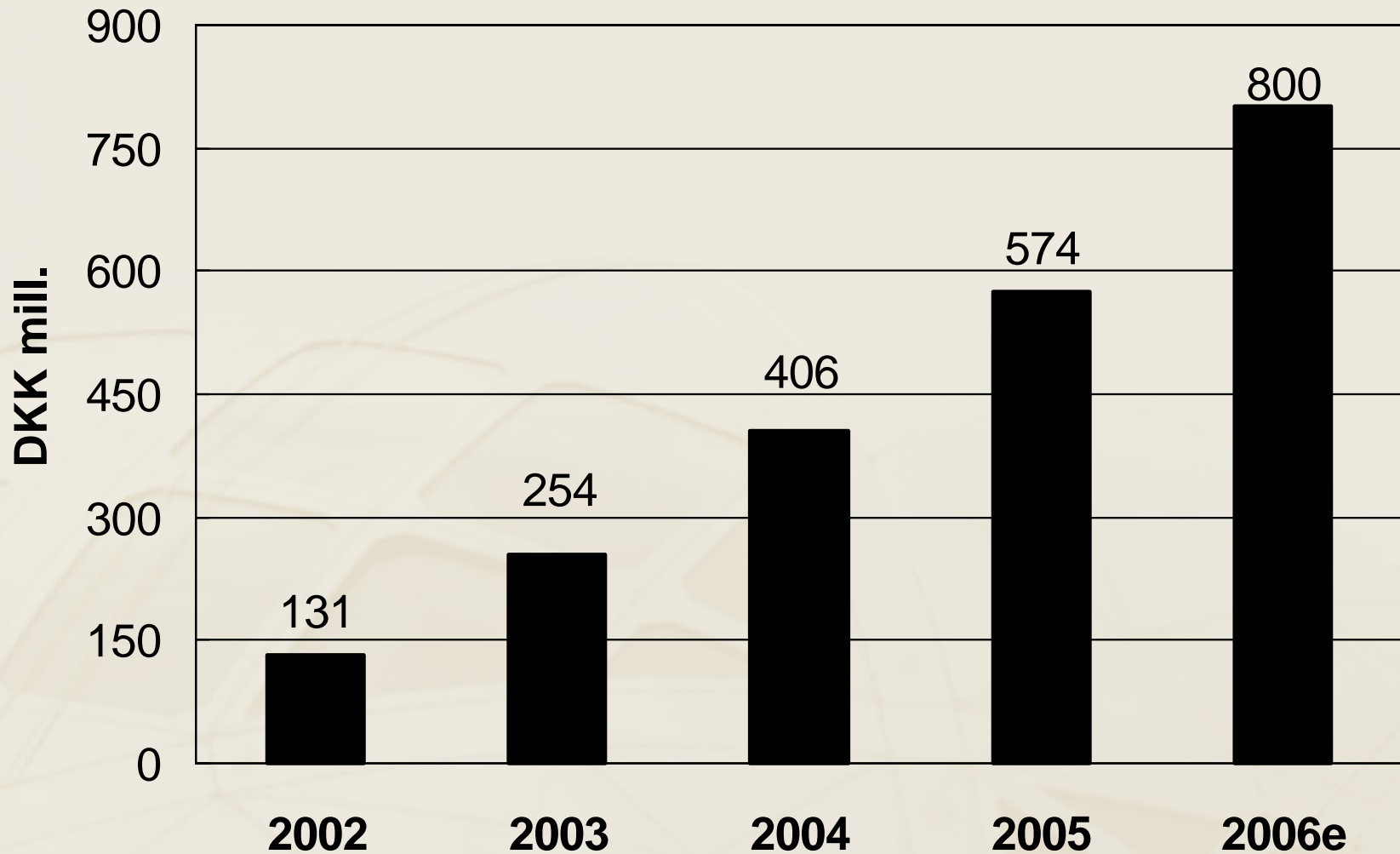
Tax percentage



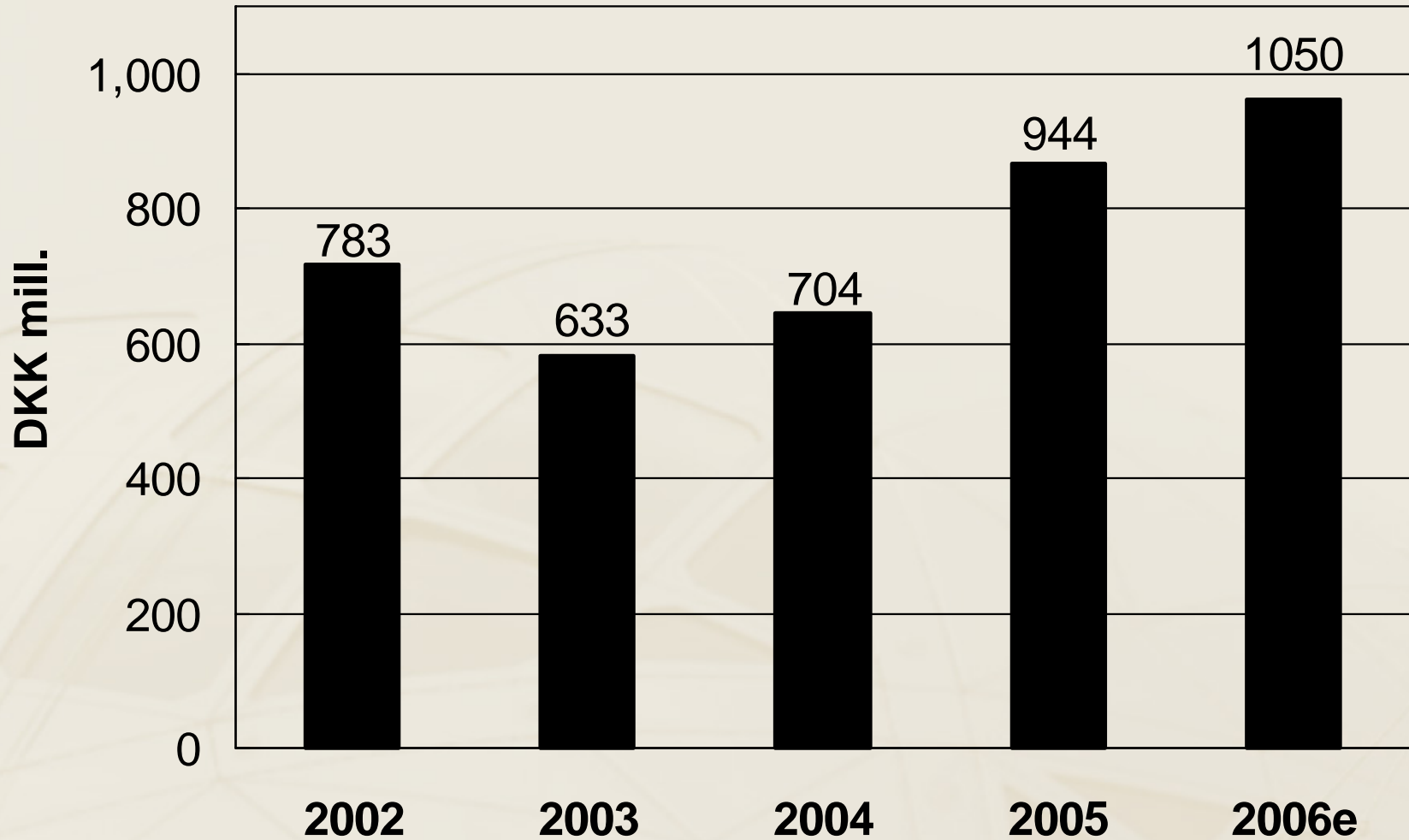
Financial items



Profit for the year after minority interests



Investments



Questions

