

Release no. 10 – 2008
Report on the first quarter of 2008
To NASDAQ OMX Nordic Exchange
Copenhagen A/S
This is a translation of the Danish version.
Only the Danish version is legally binding.

Page 1/7

22 May 2008

Report on the first quarter of 2008
for Rockwool International A/S

Today the Board of Rockwool International A/S has approved the following report on the first quarter of 2008.

Highlights

- Sales in the first quarter decreased by 5% compared to the exceptional first quarter 2007.
- EBIT in the first quarter is DKK 337 million which is a decrease of 45% compared to first quarter 2007.
- Due to delay in construction projects in many countries for financing reasons, it is more difficult than usual to predict the development of the market. However, expectations for the year remain unchanged with sales at year 2007 level, net result after minority interests at DKK 1,300 million and capital expenditure at DKK 2,000 million.

Further information: Gilles Maria, Chief Financial Officer

Release no. 10 – 2008
Report on the first quarter of 2008
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

*This is a translation of the Danish version.
Only the Danish version is legally binding.*

Page 2/7

Main figures / key figures for the Group

	1st qtr. 2008	1 st qtr. 2007	Full year 2007
	Unaudited figures		Audited
Income statement items in DKK million:			
Net sales	3,098.5	3,255.4	13,908.2
EBITDA	527.0	784.6	3,391.1
Operating profit before financial items (EBIT)	337.1	614.5	2,705.8
Financial items	6.1	-3.7	20.9
Profit before tax	349.8	617.3	2,759.6
Profit for the period after minorities' interests	242.1	427.8	1,966.2
Cash flow (from operating activities)	143.0	423.1	2,480.0
Balance sheet items in DKK million :			
Fixed assets	6,701.6	5,431.2	6,425.0
Current assets	4,345.6	3,770.8	4,468.6
Total assets	11,047.2	9,202.0	10,893.6
Equity including minorities' interests	7,958.3	6,497.5	7,776.7
Non-current liabilities	945.1	828.6	976.7
Current liabilities	2,143.8	1,875.9	2,140.2
Other items in DKK million:			
Investments and acquisitions	615.0	343.9	1,621.3
Depreciation	189.9	170.0	685.3
Number of employees:			
Number of employees	8,623	8,242	8,559
Ratios:			
Profit ratio (%)	10.9	18.9	19.5
Profit per share of DKK 10	11.2	19.6	90.8
Intrinsic value per share of DKK 10	353.1	295.5	345.4
Equity ratio (%)	72.0	70.6	71.4
Main figures in EUR million:			
Net sales	415.7	436.8	1,864.9
Operating profit before financial items (EBIT)	45.2	82.4	362.8
Profit before tax	46.9	82.8	370.0
Profit for the period after minorities' interests	32.5	57.4	263.6
Cash flow (from operating activities)	19.2	56.8	332.5
Total assets	1,482.3	1,234.8	1,460.7
Equity including minorities' interests	1,067.8	871.9	1,042.7
Investments and acquisitions	82.5	46.1	217.4
Depreciation	25.5	22.8	91.9
Exchange rate DKK	7.45	7.45	7.46

The ratios have been calculated in accordance with recommendations issued by the Danish Association of Financial Analysts (2005 edition).

Release no. 10 – 2008
Report on the first quarter of 2008
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

*This is a translation of the Danish version.
Only the Danish version is legally binding.*

Page 3/7

Management report for the period from 1 January to 31 March 2008Income statement

The Rockwool Group generated sales in the first quarter of DKK 3,099 million corresponding to a decrease of 5% compared to last year which was exceptionally high.

Sales in the Insulation Division decreased by 6% to DKK 2,868 million while Systems Division's sales increased by 15% to DKK 510 million.

EBITDA for the Group totalled DKK 527 million which is 33% down on the year before.

EBIT ended at DKK 337 million – a decrease of DKK 277 million. EBIT in the Insulation Division decreased by 47% to DKK 297 million. Systems Division generated an EBIT of DKK 50 million which is an increase of 50% compared to the first quarter 2007.

Net financial costs ended up at an income DKK 6 million which is DKK 10 million better than in first quarter 2007.

Profit after minorities interests for the first quarter was DKK 242 million which is DKK 186 million lower than last year, corresponding to a decrease of 43%.

Cash flow

Cash flow from operations for the period is DKK 143 million, which is DKK 280 million less than last year. Amongst others, this is due to increased tax payments of DKK 171 million compared to last year.

The working capital has increased by DKK 64 million in first quarter 2008 compared to an increase of DKK 245 million in the same period last year. The increase is mainly due to a higher level of inventories and trade receivables, but it is partly offset by an increase in trade payables.

Investment expenditure in the quarter was DKK 615 million which is an increase of DKK 271 million compared to the first quarter 2007.

Release no. 10 – 2008
Report on the first quarter of 2008
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

*This is a translation of the Danish version.
Only the Danish version is legally binding.*

Page 4/7

Balance sheet

Total assets end of the quarter amounted to DKK 11,047 million. The equity ratio end of first quarter was 72.0%.

Capacity expansion

In order to meet the expected increase in demand for insulation products in the coming years, the Group has initiated an expansion programme consisting of five new production lines which will add approx. 25% of capacity to the existing production apparatus. In 2007, the locations for these production lines were selected: two will be in the EU (Poland, UK), one will be in Russia, one in Ukraine and one in Canada.

The new line in Poland is expected to start up in July 2008 and the new line in UK is expected to start up in fourth quarter 2008.

Other projects are ongoing as expected.

Expectations for the year

The expectations for 2008 announced in the annual report in March 2008 remain unchanged. We expect sales to be around the level of year 2007, net result after minority interests at DKK 1,300 million and capital expenditure at DKK 2,000 million.

Release no. 10 – 2008
Report on the first quarter of 2008
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

*This is a translation of the Danish version.
Only the Danish version is legally binding.*

Page 5/7

Management statement

The Board and Group Management have today approved this interim report for the first quarter 2008.

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, as approved by the EU and additional Danish requirements for financial reporting by listed companies.

We believe that the accounting policies applied – which are unchanged from those applied in the annual report for 2007 – are appropriate and that the accounting estimates made are reasonable. In our opinion this interim report presents a true and fair view of the Group's assets, liabilities and financial position on 31 March 2008 and of earnings and cash flows during the period.

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.

Copenhagen, 22 May 2008

Group Management

Eelco van Heel

Gilles Maria

Carsten B. Winther

Supervisory Board

Tom Kähler

Henrik Nyegaard

Preben Damgaard

Connie Enghus

Lars Elmekilde Hansen

Jan W. Hillege

Steen Riisgaard

Michael Emborg

Thomas Kähler

Release no. 10 – 2008
Report on the first quarter of 2008
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

*This is a translation of the Danish version.
Only the Danish version is legally binding.*

Page 6/7

Income statement

DKK million	1st qtr.	1st qtr.	Full year
	2008	2007	2007
	Unaudited		Audited
Net sales	3,098.5	3,255.4	13,908.2
Operating income	3,152.0	3,287.4	14,093.6
Operating costs	2,814.9	2,672.9	11,387.8
EBITDA	527.0	784.6	3,391.1
Operating profit before financial items (EBIT)	337.1	614.5	2,705.8
Income from associated companies	6.6	6.5	32.9
Financial items	6.1	-3.7	20.9
Profit before tax	349.8	617.3	2,759.6
Tax on profit for the period	92.7	172.9	699.9
Minorities' interests	15.0	16.6	93.5
Profit for the period after minorities' interests	242.1	427.8	1,966.2

Cash flow statement

DKK million	1st qtr.	1st qtr.	Full year
	2008	2007	2007
	Unaudited		Audited
Profit for the period	261.2	444.4	2,059.7
Adjustments	230.3	356.9	1,540.3
Change in net working capital	-64.1	-245.3	-468.2
Cash flow from operations before financial items and tax	427.4	556.0	3,131.8
Cash flow from operations activity	143.0	423.1	2,480.0
Cash flow from investments activities	-615.0	-343.9	-1,621.3
Cash flow from operating and investments activities (free cash flow)	-472.0	79.2	858.7
Cash flow from finance activities	42.6	-32.5	-353.7
Change in cash available	-429.4	46.7	505.0
Cash available – beginning of period	1,187.6	689.8	689.8
Adjustments to exchange rates	-15.2	-4.0	-7.2
Cash available – end of period	743.0	732.5	1,187.6
Unutilised committed credit facilities	1,450.0	1,450.0	1,450.0

Individual items in the statement of funds cannot be directly deduced from the consolidated balance sheet, as balance sheet items of the foreign companies at the beginning of the year have been converted at the rates of exchange on 31 March.

Segment reporting (business segments)

DKK million	1st qtr.	1 qtr.	Full year
	2008	2007	2007
	Unaudited		Audited
Net sales per business segment			
Insulation	2,867.8	3,058.5	12,829.8
Systems Division	510.0	442.0	2,098.2
Group eliminations and holding companies	-279.3	-245.1	-1,019.8
The Group	3,098.5	3,255.4	13,908.2
Operating profit before fin. items per business segment			
Insulation	296.9	561.4	2,395.7
Systems Division	50.2	33.5	317.7
Group eliminations and holding companies	-10.0	19.6	-7.6
The Group	337.1	614.5	2,705.8

Release no. 10 – 2008
Report on the first quarter of 2008
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

*This is a translation of the Danish version.
Only the Danish version is legally binding.*

Page 7/7

Balance sheet

DKK million	1st qtr.	1st qtr.	Full year
	2008	2007	2007
	Unaudited		Audited
Assets			
Intangible fixed assets	181.6	162.8	183.9
Tangible fixed assets	6,112.9	4,940.6	5,838.9
Financial fixed assets	176.3	184.0	168.2
Deferred tax assets	230.9	143.8	234.0
Fixed assets	6,701.7	5,431.2	6,425.0
Stocks	1,433.4	845.4	1,266.9
Receivables	2,150.5	2,094.3	1,944.8
Cash funds	761.7	831.1	1,256.9
Total current assets	4,345.6	3,770.8	4,468.6
Total assets	11,047.2	9,202.0	10,893.6
Liabilities and equity			
Share capital	219.7	219.7	219.7
Other reserves	7,537.8	6,160.9	7,369.0
Minorities interests	200.8	116.9	188.0
Total equity	7,958.3	6,497.5	7,776.7
Non-current liabilities	945.1	828.6	976.7
Current liabilities	2,143.8	1,875.9	2,140.2
Total liabilities	3,088.9	2,704.5	3,116.9
Total liabilities and equity	11,047.2	9,202.0	10,893.6

Changes in equity

DKK million	1st qtr.	1st qtr.	Full year
	2008	2007	2007
Equity as of 1 January	7,776.7	6,033.2	6,033.2
Exchange rate adjustments	-79.5	0.6	25.1
Adjustments of financial instruments	9.9	3.4	6.4
Tax on changes in equity	0.0	0.0	-2.4
Profit for the period	242.1	444.4	2,059.7
Acquisition of own shares	4.2	11.8	-149.6
Expensed value of options issued	4.9	4.1	12.8
Paid dividend	0.0	0.0	-208.5
Minorities' interests – addition and dividend (net)	0.0	0.0	0.0
Equity as of end of period	7,958.3	6,497.5	7,776.7