Small- og Midcap Seminar
ABG Sundal Collier

27 September 2012

build with ease

H+H

Forward-looking statement

The forward-looking statements in this presentation reflect management's current expectations for certain future events and financial results.

Statements regarding the future are, of course, subject to risks and uncertainties which may result in material deviations from expectations.

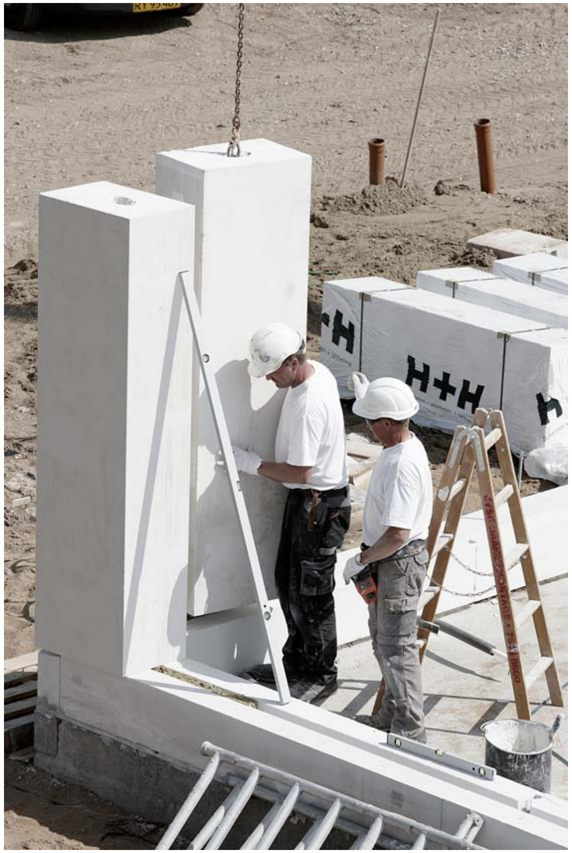
Factors that may cause the actual results to deviate materially from expectations are: aircrete products, the market's acceptance of new products, the introduction of competing products etc.

Agenda

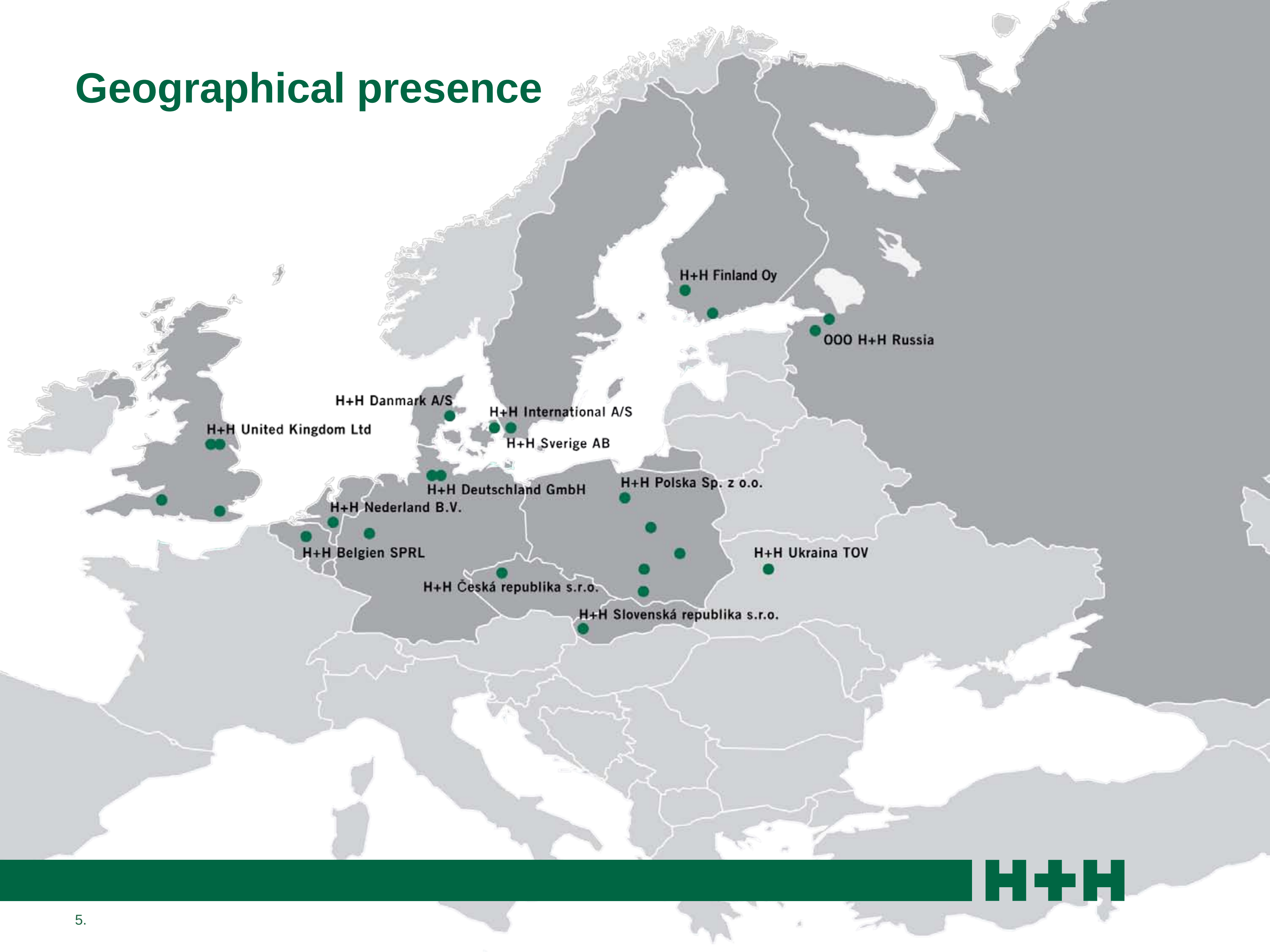
- Basic facts
- Financial performance
- Outlook for 2012
- Q&A

Basic facts

H+H is a focused group dedicated to manufacture and sale of aircrete products



Geographical presence



New strategy 2012-2014

- The strategic plan covers the period from 2012 up to and including 2014, during which time the aim is to deliver satisfactory financial results and reduce H+H's debt levels.

- In the light of H+H's current financial performance and debt levels, the following overall guiding principles apply to the strategic planning period:
  - To focus on the potential in existing geographical markets
  - To have sufficient production capacity to support planned growth
  - To remain focused on the aircrete market only
  - To build on existing technology and develop solutions based on this
  - To grow organically rather than through mergers and acquisitions

- Within these guiding principles, H+H should be able to grow the top line by 30% with its existing production capacity, assuming geographically balanced market growth.

New strategy 2012-2014

H+H has defined three strategic goals that need to be fulfilled within the time span of the strategic plan:

- **Become or remain number 1 or 2 in all chosen geographical markets.** H+H will position itself as a full-fledged branded aircrete supplier.

- **Be financially independent.** Long-term growth for H+H will require H+H to be able to reinvest cash from operations in market expansion and development of new technology. Therefore net debt should not exceed EBITDA by more than a factor of 2 in 2014.

- **Achieve capacity utilisation above 75%.** Capacity utilisation below 75% at any plant is loss-making, and it would be more desirable to consolidate production capacity if this is not achieved.

Some overall market developments

- The second quarter of 2012 brought a decrease in sales volumes, rising prices and changes in the product mix, which together resulted in revenue growth of 4.0%.

- The fall in sales volumes in the second quarter was driven by significantly lower sales in Poland, Germany and the UK. The growing uncertainty in financial markets has made customers very cautious, and the heavy rainfall in the UK also played a role. Sales in Russia were higher than last year, and sales to Africa helped offset the decline in volumes.

- Production volumes were reduced in the second quarter in response to the slowdown in sales in the key markets of the UK, Poland and Germany, leading to an increase in average production costs.

Market expectations for the second half of 2012

- Latest official forecasts* for residential construction do not reflect the current market developments. Except for Russia most markets are below the official forecasts.

- The growing economic uncertainty means that, excluding Russia and exports to Africa, sales volumes are now expected to fall in 2012, whereas they were previously expected to be on a par with 2011.

- Previous stable markets as Germany and the UK are now also showing slowdown.

- Further dynamic market development expected in Russia.

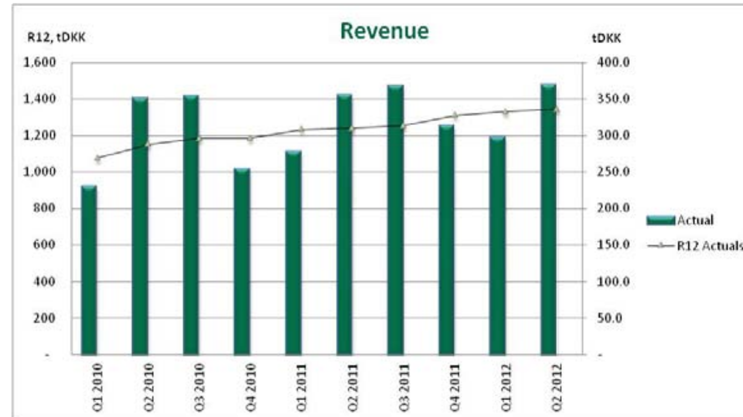
* Euroconstruction forecasts, June 2012

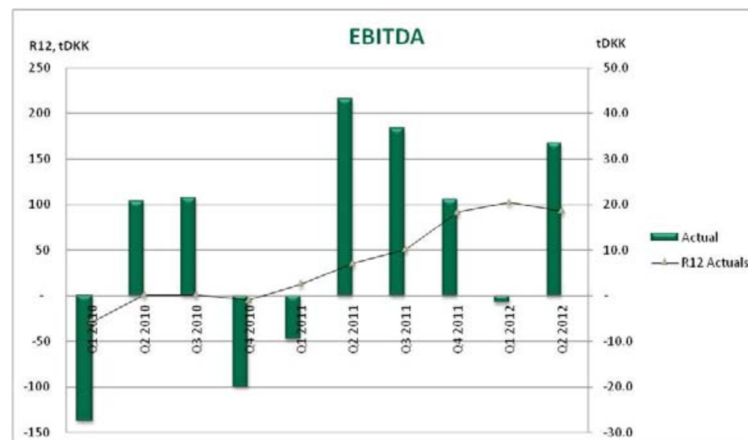
Financial performance

Group performance

H1 2012

- Revenue up 5.4% in DKK and up 5.1% in local currencies on H1 2011.
- EBITDA was DKK 32 million compared with DKK 34 million in 2011.
- Profit before tax was a loss of DKK 35 million compared with a loss of DKK 39 million in 2011.
- The overall gross margin was 20.1% in 2012, against 20.9% in 2011.
- Rising prices and changes in the product mix resulted in a revenue growth despite of lower volumes. Sales in Russia were higher than last year, and sales to Angola helped offset the decline in volumes.

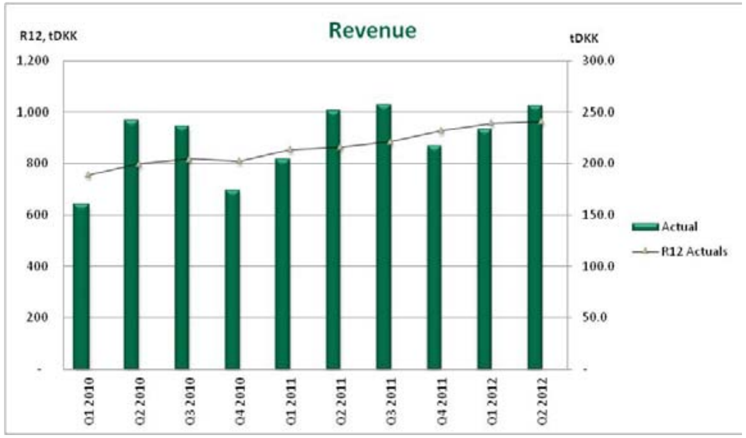


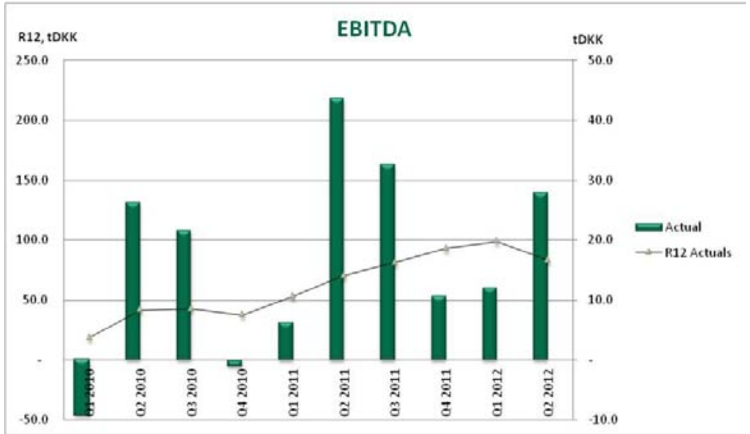


Segments - Western Europe

H1 2012

- Revenue up 7.6% in DKK and up 6.7% in local currencies on H1 2011.
- EBITDA DKK 40 million compared with DKK 50 million in H1 2011.
- Profit before tax was DKK 2 million compared with DKK 13 million in H1 2011.
- Volumes was lower in all countries except Finland, due to sales to Africa.
- The fall in revenue was greatest in the UK and Germany. The sales to Africa from Germany were not enough to compensate for the downturn in the local market.

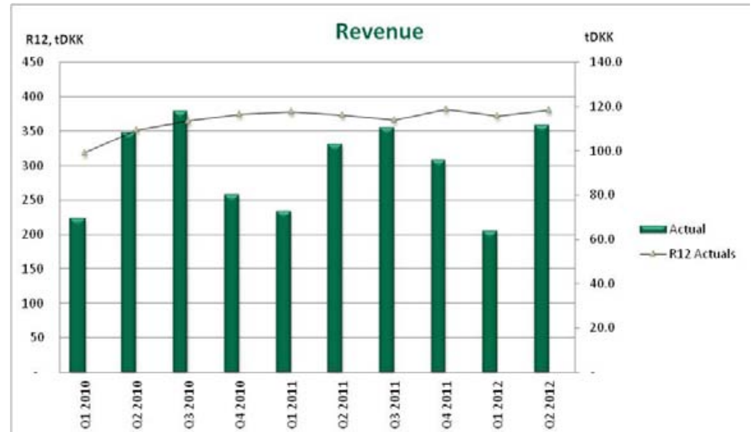


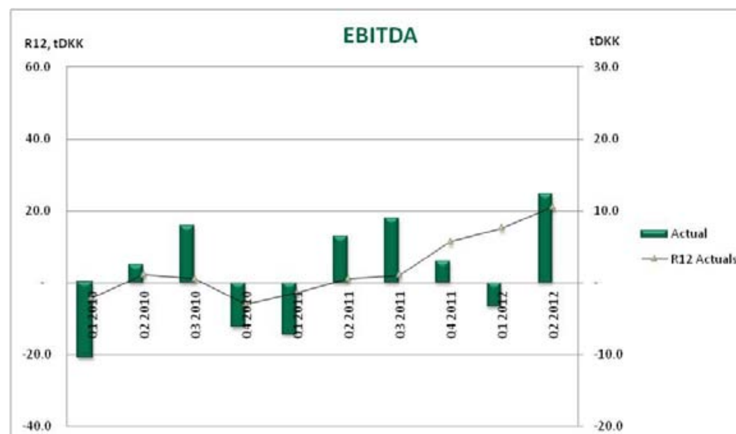


Segments - Eastern Europe

H1 2012

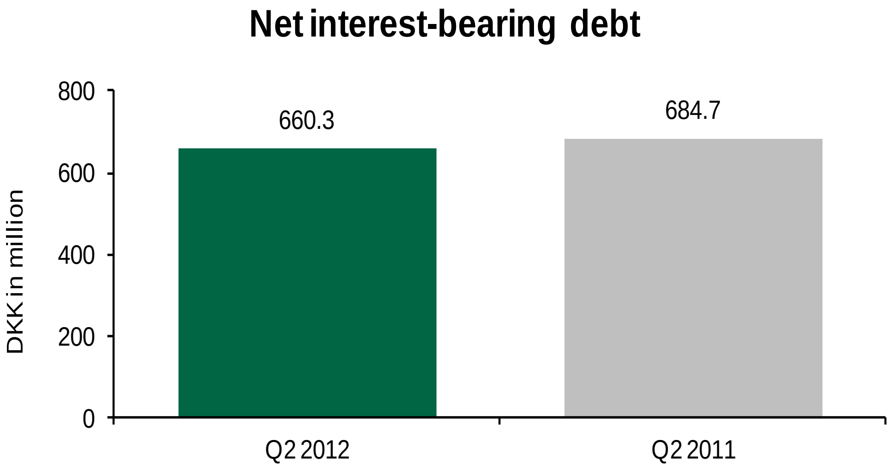
- Revenue down 0.5% in DKK and up1.6% in local currencies on H1 2011.
- EBITDA was DKK 9 million compared with DKK (1) million in H1 2011.
- Profit before tax loss of DKK 22 million compared with loss of DKK 44 million in H1 2011.
- Sales in Russia were substantially higher than last year due to increases in both selling prices and volumes.
- Activity levels in Poland and the Czech Republic were lower than in 2011.





Net interest-bearing debt

- Net interest-bearing debt totalled DKK 660 million on 30 June 2012, an increase of DKK 32 million since the beginning of the year.
- Interest-bearing debt has moved largely as expected since the beginning of the year. Working capital has normalised again; although there was an increase in inventories in the second quarter.
- Q2 financing costs totalled DKK 8.2 million in 2012, against DKK 11.8 million in 2011. H1 financing costs totalled DKK 17.6 million in 2012, against DKK 22.3 million in 2011.



Outlook for 2012

- H+H adjusts its outlook for EBITDA before special items for the 2012 financial year to around DKK 90-110 million for continuing operations, against around DKK 110-140 million as previously announced.

- H+H adjusts its outlook for free cash flow in 2012, which is now expected to be negative in the region of DKK 0-15 million before disposals of assets, against positive in the region of DKK 0-20 million as previously announced.

- H+H adjusts its outlook for total investments in 2012 to be around DKK 40 million, against in the region of DKK 50 million as previously announced.

H+H International A/S sells H+H Česká republica s.r.o.

H+H International A/S has entered into an agreement to sell all the shares in H+H Česká to Xella.

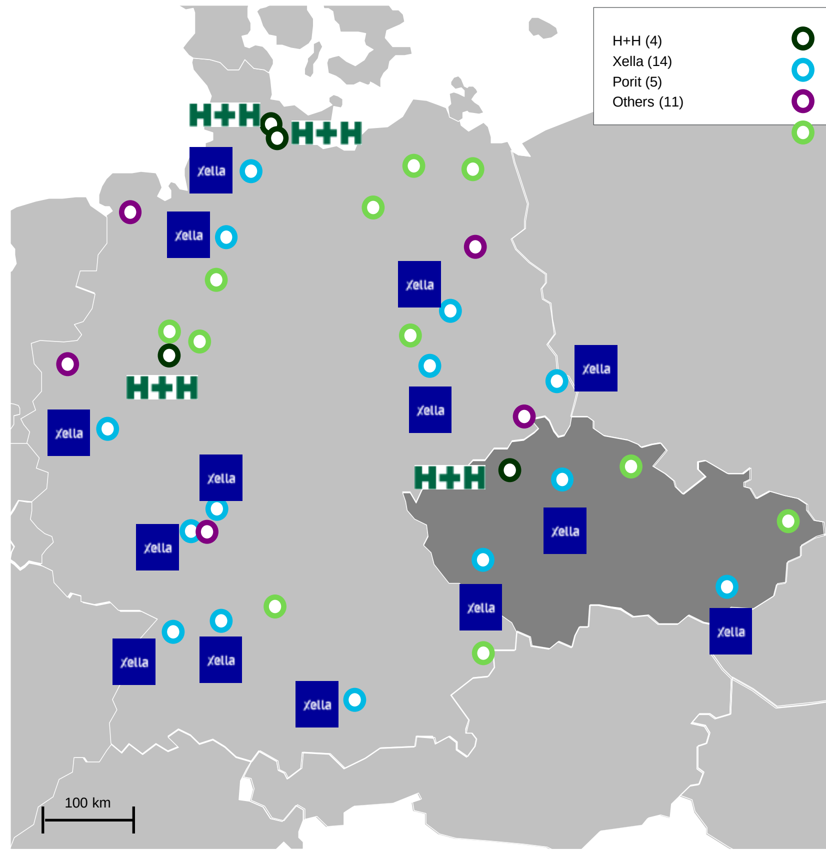
Enterprise value of DKK 112 million, excluding real estate which will be leased to Xella from completion of the transaction.

The sale is conditioned only on the completion no later than 31 January 2013 of a group internal transaction pursuant to which all real estate assets are transferred from H+H Česká to a company within the H+H Group.

In 2011, H+H Česká had revenue of DKK 62.7 million. At 30 June 2012 the company's book equity was DKK 90.5 million.

The transaction is expected to have a negative impact on H+H's EBITDA of around DKK 5.1 million for 2012 and there will be an impairment of the value of the real estate of DKK 41.8 million.

Overview of aircrete plants – Germany and Czech Republic



Q&A