

Interim report for H1 2014

Dantherm's continuing operations realised revenue of DKK 138m in H1 2014 against DKK 158m in H1 2013. Due to the lower revenue, an operating loss (EBIT) of DKK 7.4m was posted against a profit of DKK 1.1m in H1 2013. Activity levels are expected to increase in H2 2014, where activity levels are traditionally higher, and the outlook for the year is maintained. Closing related to the divestment of the Telecom business segment is still expected to be completed in near future.

Torben Duer, President & CEO:

"H1 2014 was weaker than expected, primarily due to lower revenue within dehumidification and Telecom spare parts sales, while ventilation posted growth in sales. Completion of the divestment of the Telecom business segment is expected in near future and the focus is thus on the strategic development of the remaining business areas with a view to increasing revenue and profitability."

Divestment of Telecom business segment

- As mentioned in company announcement no. 9 of 5 August 2014, the closing related to the divestment of the Telecom business was expected to be completed in near future. This is still the expectation.
- On a debt-free basis, the selling price is expected to be approx. DKK 136m, which is expected to lead to an accounting loss in 2014 of approx. DKK 15m (DKK -14.4m of which was recognised in H1 2014), including costs for the sales process and the impact on results in 2014 of the divested activities until closing.

Development in Q2 2014

- Revenue from continuing operations totalled DKK 69m relative to DKK 80m in Q2 2013.
- An operating loss (EBIT) of DKK 2.8m was posted for the continuing operations against an operating profit of DKK 2.1m in Q2 2013.
- Cash flows from operating activities were negative at DKK 2m against positive cash flows of DKK 7m in Q2 2013.

Development in H1 2014

- Revenue from continuing operations came to DKK 138m against DKK 158m in H1 2013.
- An operating loss (EBIT) of DKK 7.4m was posted for the continuing operations against an operating profit of DKK 1.1m in H1 2013.
- Cash flows from operating activities were negative at DKK 4m against positive cash flows of DKK 1m in H1 2013.

Financial structure

- In February 2014 Dantherm concluded its agreement with the primary credit institutions on extension of the existing committed facilities until 31 March 2015. The agreement comprises the usual covenants. The covenants on June 30 2014 were calculated under the assumption that closing related to the divestment of the Telecom business segment was completed before this date. Due to delay in the closing process Dantherm was not able to meet these covenants and has received a waiver. Dantherm is in a good dialogue with its credit institutions on the credit facilities and closing is still expected to be completed in near future.
- After closing of the divestment of the Telecom business segment, Dantherm will settle the facilities related to operations under the committed facilities agreed with the credit institutions, and net interest-bearing debt will be reduced to approx. DKK 90m (year-end 2013: DKK 203m), which is primarily associated with property financing in Denmark and Norway.

Outlook for 2014

Dantherm is maintaining the outlook for the year of revenue of DKK 300–325m from the continuing operations and an operating profit (EBIT) of DKK 5–10m.

H1 2014 has been weaker than expected. The activity level in H2 2014 is traditionally higher. Realising the outlook for 2014 requires a little higher revenue in the remaining part of 2014 compared to H2 2013 and a better operating profit (EBIT) as a result of cost reductions carried out.

Any enquiries concerning this announcement can be directed to President & CEO Torben Duer on tel. +45 99 14 90 14.

In case of doubt the Danish version is applicable

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About Dantherm

Dantherm was founded in 1958 by Ejler Olsen, the company's first product being a warm air heater for heating workshops and industrial buildings. In the 1970s, the product portfolio was extended to include dehumidifiers and ventilation products, and in the 1980s also to include mobile heating and cooling units for the armed forces and aid organisations. In the 1990s, climate control products for the telecom industry were added.

Up until the divestment of the Telecom business segment, Dantherm comprised the two business segments HVAC (Heating, Ventilation, Air Conditioning) and Telecom.

Within the HVAC business segment, Dantherm is an important European provider of products and solutions based on more than 50 years of experience within the heating, ventilation, cooling and dehumidification of air.

Dantherm's special competencies comprise extensive know-how within climate control, product development expertise and state-of-the-art production and test facilities.

Dantherm was listed at NASDAQ OMX Copenhagen in 2002 and today has approx. 3,200 shareholders.

Read more at www.dantherm.dk

Financial highlights

DKKm	Q2		H1		FY
	2014	2013	2014	2013	2013
Income statement:					
Revenue	68.7	80.1	137.6	158.0	328.6
Earnings before depreciation, amortisation etc. (EBITDA)	1.1	5.6	0.4	7.8	20.3
Operating profit/loss (EBIT)	-2.8	2.1	-7.4	1.1	6.0
Net financials	-3.5	-3.9	-7.3	-6.9	-13.6
Share of profit/loss after tax in associates	0.0	0.0	0.0	0.0	-18.5
Earnings before tax (EBT)	-6.3	-1.8	-14.7	-5.8	-26.1
Profit/loss for the period of discontinued operations ¹⁾	-0.6	0.2	-14.4	0.4	-1.7
Net profit/loss for the period	-6.9	-1.6	-29.1	-5.4	-28.0
Balance sheet, end of period:					
Working capital	19.8	75.3	19.8	75.3	70.3
Net interest-bearing debt	196.5	204.2	196.5	204.2	203.2
Balance sheet total	383.6	433.4	383.6	433.4	404.5
Equity	55.3	110.3	55.3	110.3	86.6
Invested capital	251.8	314.6	251.8	314.6	289.8
Cash flows:					
Cash flow from operating activities	-2.2	6.8	-4.2	0.6	6.6
Cash flow from investing activities	-2.8	-3.2	-4.6	-5.5	-9.3
Cash flow from financing activities	0.4	-1.7	-1.5	-3.5	-6.9
Cash flow for the period	-6.1	-4.0	-13.3	-19.5	-22.4
RATIOS					
Financial ratios:					
Growth rate (growth in revenue)	-14.2%	0.8%	-12.9%	3.0%	-10.7%
Profit margin (EBIT %)	-4.1%	2.7%	-5.4%	1.0%	1.8%
Equity interest	14.4%	25.4%	14.4%	25.4%	21.4%
Average number of employees	272	275	273	275	279
Share-related ratios:					
Earnings per share (continuing operations) (EPS), DKK	-0.9	-0.3	-2.1	-0.8	-3.7
Diluted earnings per share (continuing operations) (EPS-D), DKK	-0.9	-0.3	-2.1	-0.8	-3.7
Cash flow per share, DKK	-0.3	1.0	-0.6	0.1	0.9
Equity value, end of period, DKK	7.7	15.3	7.7	15.3	12.1
Share price, end of period, DKK	13.6	16.1	13.6	16.1	14.2
Price/equity value	1.8	1.0	1.8	1.0	1.2
Number of shares of DKK 10 each, end of period ('000)	7,191	7,191	7,191	7,191	7,191

¹⁾ Comprising the result of the Telecom activities in 2014, expected transaction costs and impairment in connection with the divestment.

Management's review

Divestment of the Telecom business segment and classification into continuing and discontinuing operations

On 24 March 2014, Dantherm concluded a binding share transfer agreement on the divestment of the Telecom business segment. In the interim report, the activities covered by the share transfer agreement have been classified as discontinuing operations, and the comparative figures in the income statement have been restated in accordance with IFRS 5.

The group was restructured in Q2 2014 with a view to completing the divestment of the discontinuing operations.

As mentioned in company announcement no. 9 of 5 August 2014, the closing related to the divestment of the Telecom business was expected to be completed in near future. This is still the expectation.

On a debt-free basis, the selling price is expected to be approx. DKK 136m, which is expected to lead to an accounting loss in 2014 of approx. DKK 15m (DKK -14.4m of which was recognised in H1 2014), including costs for the sales process and the impact on results in 2014 of the divested activities until closing.

The continuing operations now comprise the parent Dantherm A/S and the companies in Denmark (except for the divested Telecom activities), Norway, the UK and Poland.

Unless otherwise stated, the description in the management's review concerns the continuing operations only.

Financial structure

In February 2014 Dantherm concluded its agreement with the primary credit institutions on extension of the existing committed facilities until 31 March 2015. The agreement comprises the usual covenants. The covenants on June 30 2014 were calculated under the assumption that closing related to the divestment of the Telecom business segment was completed before this date. Due to delay in the closing process Dantherm was not able to meet these covenants and has received a waiver. Dantherm is in a good dialogue with its credit institutions on the credit facilities and closing is still expected to be completed in near future.

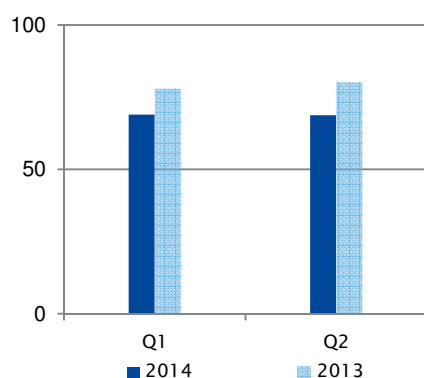
After closing of the divestment of the Telecom business segment, Dantherm will settle the facilities related to operations under the committed facilities agreed with the credit institutions, and net interest-bearing debt will be reduced to approx. DKK 90m (year-end 2013: DKK 203m), which is primarily associated with property financing in Denmark and Norway.

Comments on the Q2 financial statements

Revenue totalled DKK 69m relative to DKK 80m in Q2 2013. The lower revenue is primarily ascribable to the business areas dehumidification and Telecom spare parts sales, while ventilation posted sales growth.

REVENUE PER QUARTER

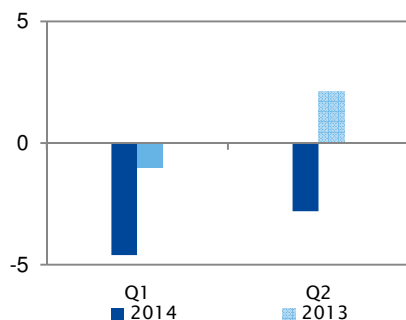
Amounts in DKKm



Due to the lower revenue, an operating loss (EBIT) of DKK 2.8m was posted against a profit of DKK 2.1m in Q2 2013.

EBIT PER QUARTER

Amounts in DKKm



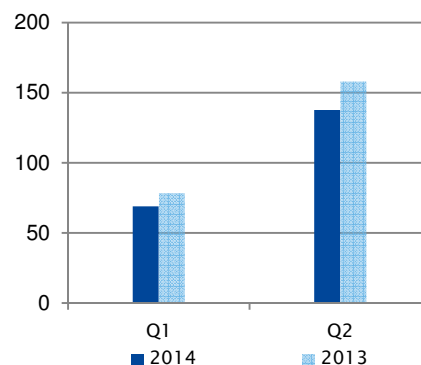
Due to the lower revenue, Dantherm's earnings before tax (EBT) totalled a loss of DKK 6.3m against a loss of DKK 1.8m in Q2 2013.

Comments on the H1 financial statements

Revenue was DKK 138m against DKK 158m in H1 2013. The lower revenue is primarily ascribable to the business areas dehumidification and spare parts sales, while ventilation posted sales growth.

REVENUE YEAR-TO-DATE

Amounts in DKKm

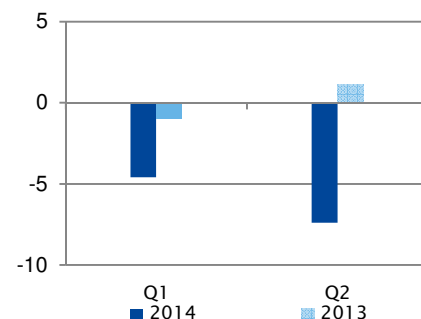


Other external expenses and staff costs for H1 2014 were 3% lower than those of the same period of 2013, and there is continued focus on cost adjustments.

An operating loss (EBIT) of DKK 7.4m was posted against an operating profit of DKK 1.1m in H1 2013.

EBIT YEAR-TO-DATE

Amounts in DKKm



A loss of DKK 14.4m was posted for the discontinued operations, comprising the Telecom activities in H1 2014, expected transaction costs and impairment in connection with the divestment.

Dantherm's earnings before tax (EBT) totalled a loss of DKK 14.7m against a loss of DKK 5.8m in H1 2013.

Cash flows and interest-bearing debt

Cash flows from operating activities were negative at DKK 2.2m in Q2 2014 against positive cash flows of DKK 6.8m in the prior-year period. Cash flows from operating activities were negative at DKK 4.2m in H1 2014 against positive cash flows of DKK 0.6m in H1 2013. The lower cash flows are primarily due to the weaker developments in operations.

Cash flows from investing activities and financial activities in both Q2 2014 and H1 2014 are lower than in the same periods in 2013.

Dantherm's net interest-bearing debt for the continuing operations amounted to DKK 197m as at 30 June 2014 against a total net interest-bearing debt of DKK 203m at the end of 2013. After the closing, net interest-bearing debt is expected to be reduced to approx. DKK 90m.

Discontinued operations and assets and liabilities held for sale

Discontinued operations and assets and liabilities held for sale comprise Dantherm Cooling Holding A/S (formerly Dantherm Air Handling Holding A/S) with subsidiaries in China, the USA, Sweden, Germany and Denmark (divested Telecom activities).

The Telecom activities generated revenue of DKK 47m in Q2 2014 against DKK 54m in Q2 2013. In H1 2014, revenue from the Telecom activities totalled DKK 88m relative to DKK 102m in H1 2013.

Earnings before tax (EBT) totalled a loss of DKK 0.7m in Q2 2014 against a profit of DKK 0.2m in the same period of 2013. The loss before tax was DKK 2.5m in H1 2014 relative to a profit of DKK 0.4m in H1 2013.

Assets and liabilities held for sale in the balance sheet pertain to the Telecom activities, including goodwill.

Dantherm Power

Dantherm owns approx. 39% of the associate Dantherm Power, the revenue of which is not included in Dantherm's consolidated revenue.

Dantherm's ownership share in the company was written down to 0 in 2013, and Dantherm's share of the profit/loss is thus not recognised.

The activities in Dantherm Power comprise the development and sale of backup power plants, primarily within Telecom, and CHP units for private households based on fuel cell technology.

Outlook for 2014

Dantherm is maintaining the outlook for the year of revenue of DKK 300–325m from the continuing operations and an operating profit (EBIT) of DKK 5–10m.

H1 2014 has been weaker than expected. The activity level in H2 2014 is traditionally higher. Realising the outlook for 2014 requires a little higher revenue in the remaining part of 2014 compared to H2 2013 and a better operating profit (EBIT) as a result of cost reductions carried out.

Statement by the Board of Directors and the Board of Executives

Today, the Board of Directors and the Board of Executives have considered and approved the interim report of Dantherm A/S for the period 1 January – 30 June 2014.

The interim report, which has not been audited or reviewed by the company's auditors, is presented in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and additional Danish disclosure requirements for listed companies.

In our opinion, the interim report gives a true and fair view of the group's assets, equity and liabilities and financial position as at 30 June 2014 and of the results of the group's operations and cash flows for the period 1 January – 30 June 2014.

We also find that the management's review contains a fair review of the development in the group's activities and financial affairs, the results for the period and the group's financial position as a whole as well as a description of the main risks and uncertainties facing the group.

Skive, Denmark, 29 August 2014

Board of Executives:

Torben Duer
President & CEO

Bjarke Brøns
CFO

Board of Directors:

Jørgen Møller-Rasmussen
Chairman

Preben Tolstrup
Deputy Chairman

Nils R. Olsen

Henrik Sørensen

Conni-Dorthe Laursen

Søren Ø. Hansen

Per F. Pedersen

Income statement

DKK m	Q2		H1		FY
	2014	2013	2014	2013	2013
Revenue	68.7	80.1	137.6	158.0	328.6
Costs of raw materials and consumables	-32.9	-40.5	-68.5	-79.6	-165.0
Other external expenses	-7.3	-6.0	-14.7	-15.0	-30.0
Staff costs	-27.4	-28.0	-54.0	-55.6	-113.3
Earnings before depreciation, amortisation etc. (EBITDA)	1.1	5.6	0.4	7.8	20.3
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-3.9	-3.5	-7.8	-6.7	-14.3
Operating profit/loss (EBIT)	-2.8	2.1	-7.4	1.1	6.0
Share of profit/loss after tax in associates	0.0	0.0	0.0	0.0	-18.5
Net financials	-3.5	-3.9	-7.3	-6.9	-13.6
Earnings before tax (EBT)	-6.3	-1.8	-14.7	-5.8	-26.1
Tax on profit/loss for the period	0.0	0.0	0.0	0.0	-0.2
Net profit/loss for the period	-6.3	-1.8	-14.7	-5.8	-26.3
Profit/loss from discontinued operations, note 3	-0.6	0.2	-14.4	0.4	-1.7
Net profit/loss for the period	-6.9	-1.6	-29.1	-5.4	-28.0
Distributed as follows:					
Shareholders of Dantherm A/S	-6.9	-1.6	-29.1	-5.4	-28.0
	-6.9	-1.6	-29.1	-5.4	-28.0
Earnings per share					
Earnings per share (EPS), DKK	-1.0	-0.2	-4.1	-0.8	-3.9
Diluted earnings per share (EPS-D), DKK	-1.0	-0.2	-4.1	-0.8	-3.9
Earnings per share from continuing operations, DKK	-0.9	-0.3	-2.1	-0.8	-3.7
Diluted earnings per share from continuing operations (EPS-D), DKK	-0.9	-0.3	-2.1	-0.8	-3.7

Statement of comprehensive income

DKKm	Q2		H1		FY
	2014	2013	2014	2013	2013
Net profit/loss for the period	-6.9	-1.6	-29.1	-5.4	-28.0
Other comprehensive income:					
Items which may be reclassified to the income statement:					
Foreign currency translation adjustment, foreign enterprises	0.1	-0.8	-0.7	0.3	-2.1
Value adjustment of hedging instruments	-0.8	2.2	-1.6	3.5	4.9
Other comprehensive income after tax	-0.7	1.4	-2.3	3.8	2.8
Total comprehensive income	-7.6	-0.2	-31.4	-1.6	-25.3
Distributed as follows:					
Shareholders of Dantherm A/S	-7.6	-0.2	-31.4	-1.6	-25.3
Total comprehensive income	-7.6	-0.2	-31.4	-1.6	-25.3

Balance sheet

DKKm	30/6 2014	30/6 2013	31/12 2013
Intangible assets	18.3	97.1	97.1
Property, plant and equipment	104.8	118.4	113.9
Financial assets	0.0	16.2	0.0
Other non-current assets	4.4	10.3	11.2
Total non-current assets	127.5	242.0	222.2
Inventories	61.7	102.9	98.0
Trade receivables	32.2	75.6	78.1
Other receivables	3.7	8.8	3.0
Cash	0.1	4.1	3.2
Assets held for sale, note 3	158.4	0.0	0.0
Total current assets	256.1	191.4	182.3
TOTAL ASSETS	383.6	433.4	404.5
The Dantherm A/S shareholders' share of equity	55.3	110.3	86.6
Total equity	55.3	110.3	86.6
Provisions	0.5	0.6	0.5
Credit institutions, note 4	0.0	92.8	89.2
Total non-current liabilities	0.5	93.4	89.7
Provisions	1.5	2.3	2.3
Credit institutions, note 4	196.6	115.5	117.1
Trade payables	34.1	64.4	60.4
Other payables	43.8	47.5	48.4
Liabilities held for sale, note 3	51.8	0.0	0.0
Total current liabilities	327.8	229.7	228.2
Total liabilities	328.3	323.1	317.9
TOTAL EQUITY AND LIABILITIES	383.6	433.4	404.5

Cash flow statement

DKK m	Q2		H1		FY
	2014	2013	2014	2013	2013
Earnings before tax (EBT)	-6.3	-1.8	-14.7	-5.8	-26.1
Adjustment for non-cash operating items etc.	5.6	8.5	13.4	14.7	44.5
Cash flow from primary operations before changes in working capital	-0.7	6.7	-1.3	8.9	18.4
Change in inventories	-5.1	1.3	2.7	-2.4	-3.8
Change in receivables	-2.9	9.3	3.9	4.2	4.6
Change in trade payables	10.3	-5.6	-1.4	-2.2	2.5
Cash flow from primary operations	1.6	11.7	3.9	8.5	21.7
Financial items, paid	-3.5	-4.4	-7.3	-6.9	-15.4
Cash flow from ordinary operations	-1.9	7.3	-3.4	1.6	6.3
Income tax paid	-0.3	-0.5	-0.8	-1.0	0.3
Cash flow from operating activities	-2.2	6.8	-4.2	0.6	6.6
Cash flow from investing activities	-2.8	-3.2	-4.6	-5.5	-9.3
Cash flow from financing activities	0.4	-1.7	-1.5	-3.5	-6.9
Cash flow from discontinuing operations	-1.5	-5.9	-3.0	-11.1	-12.8
Cash flow for the period	-6.1	-4.0	-13.3	-19.5	-22.4

Statement of changes in equity

DKKm	30/6 2014	30/6 2013	31/12 2013
Equity as at 1 January	86.7	111.9	111.9
Comprehensive income			
Net profit/loss for the period	-29.1	-5.4	-28.0
Other comprehensive income			
Items which may be reclassified to the income statement:			
Foreign currency translation adjustment, foreign enterprises	-0.7	0.3	4.9
Value adjustment of hedging instruments	-1.6	3.5	-2.1
Total other comprehensive income	-2.3	3.8	2.8
Total comprehensive income	-31.4	-1.6	-25.3
Total equity	55.3	110.3	86.6

Notes

Note 1: Estimates

The preparation of interim reports requires the management to make certain accounting estimates which affect the application of the accounting policies and recognised assets, liabilities, income and expenses. Actual results may deviate from these estimates.

The significant estimates made by the management in applying the group's accounting policies and the considerable uncertainty associated with these estimates are the same for the preparation of the compiled interim report and the preparation of the annual report as at 31 December 2013.

Note 2: Segment information

Dantherm's reportable segments have previously comprised the two strategic business areas HVAC and Telecom. As mentioned in note 3 below, an agreement has been concluded on the divestment of the Telecom business segment, and Dantherm consequently has only one reportable segment, and no separate segment information has therefore been stated.

Note 3: Discontinued operations and assets and liabilities held for sale

On 24 March 2014, Dantherm concluded a binding share transfer agreement on the divestment of the Telecom business segment.

As mentioned in company announcement no. 9 of 5 August 2014, the closing related to the divestment of the Telecom business was expected to be completed in near future. This is still the expectation.

In the income statement, the activities comprised by the share transfer agreement are classified as discontinued operations. The expected accounting losses have been recognised in the income statement under discontinued operations and comprise expected transaction costs, profit/loss from discontinued operations and impairment of assets.

Key figures for discontinued operations

DKKm	Q2		H1		FY
	2014	2013	2014	2013	2013
Revenue	46.8	53.5	88.2	102.0	190.2
Costs	-47.5	-53.3	-90.7	-101.6	-192.9
Earnings before tax (EBT)	-0.7	0.2	-2.5	0.4	-2.7
Tax on profit/loss for the period	0.0	0.0	0.0	0.0	1.0
Net profit/loss for the period	-0.7	0.2	-2.5	0.4	-1.7
Impairment to expected fair value	0.1	0.0	-11.9	0.0	0.0
Profit/loss for the period of discontinued operations	-0.6	0.2	-14.4	0.4	-1.7
Cash flows from operating activities	0.9	-5.2	-0.7	-7.8	-5.6
Cash flows from investing activities	-0.9	-0.7	-2.3	-3.3	-7.2
Total cash flows	0.0	-5.9	-3.0	-11.1	-12.8
Intangible assets	70.1				
Other non-current assets	10.4				
Inventories	31.1				
Receivables	40.6				
Cash and cash equivalents	6.2				
Total assets held for sale	158.4				
Credit institutions	24.6				
Other liabilities	27.2				
Liabilities associated with assets held for sale	51.8				

Note 4: Financial structure

In February 2014 Dantherm concluded its agreement with the primary credit institutions on extension of the existing committed facilities until 31 March 2015. The agreement comprises the usual covenants. The covenants on June 30 2014 were calculated under the assumption that closing related to the divestment of the Telecom business segment was completed on this date. Due to delay in the closing process Dantherm was not able to meet these covenants. Dantherm has received a waiver from the credit institutions related to the covenants on 30 June 2014 after the balance sheet date, and non-current debt to credit institutions has been classified as current debt in the balance sheet.

Dantherm is in a good dialogue with its credit institutions on the credit facilities and closing is still expected to be completed in near future.

After closing of the divestment of the Telecom business segment, Dantherm will settle the facilities related to operations under the committed facilities agreed with the credit institutions, and net interest-bearing debt will be reduced to approx. DKK 90m (year-end 2013: DKK 203m), which is primarily associated with property financing in Denmark and Norway.

Note 5: Fair value measurement of financial instruments

The subsidiary Dantherm Air Handling A/S has entered into a fixed-rate interest rate swap for hedging the floating interest rate on loans in the property in Skive.

As at 30 June 2014, the fair value of the outstanding interest rate swap is negative at DKK 13.4m. The accounting value corresponds to the fair value. The term of the interest rate swap corresponds to the term of the loan in the property, which expires in June 2020.

As at 31 December 2013, the fair value and the accounting value of the interest rate swap were negative at DKK 11.8m.

The interest rate swap is valued at level 2 in the fair value hierarchy with recurring fair value measurements. Measurements are based on generally accepted valuation methods.

Note 6: Accounting policies

The interim report is presented in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and Danish disclosure requirements for listed companies.

The consolidated financial statements and the financial statements for 2013 contain the full description of the accounting policies, except for the policies on assets held for sale and the presentation of discontinued operations, see below.

The accounting policies have been applied consistently with the annual report for 2013, except that the group has implemented new accounting standards (IFRS and IAS) and interpretations (IFRIC) which have taken effect in 2014. The new standards and interpretations have not affected the recognition and measurement.

Assets held for sale

Assets held for sale comprise non-current assets and disposal groups held for sale. A disposal group is a group of assets which is to be disposed of as a single group or in a single transaction. Liabilities associated with assets held for sale are liabilities directly associated with these assets which will be transferred in connection with the transaction. Assets are classified as 'held for sale' when their carrying amount will primarily be recovered through a sale within a period of 12 months under a formal plan rather than through continued use.

Assets or disposal groups held for sale are measured at the time of classification as 'held for sale' at the lower of carrying amount and fair value less costs to sell. Assets are not depreciated or amortised as from the time of being classified as 'held for sale'.

Impairments resulting from the initial classification as 'held for sale', and any gains or losses resulting from subsequent measurement at the lower of carrying amount and fair value less costs to sell, are recognised in the income statement under the associated items. Gains and losses are stated in the notes.

Assets and associated liabilities are itemised on separate lines in the balance sheet, and the main items are specified in the notes. Comparative figures in the balance sheet are not restated.

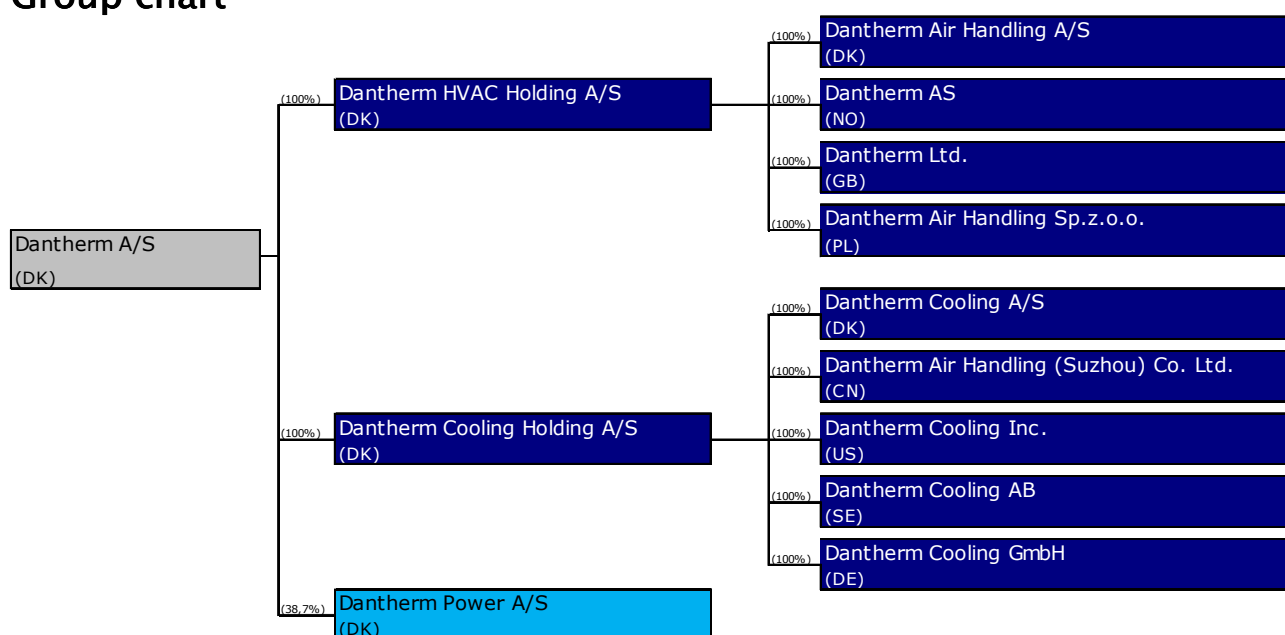
Presentation of discontinued operations

Discontinued operations constitute a significant part of the company, the activities and cash flows of which can be clearly separated from the rest of the company's activities for operational as well as accounting purposes, and where the unit has either been divested or classified as held for sale and where the sale is expected to take place within a period of one year according to a formal plan. Discontinued operations also include businesses classified as 'held for sale' in connection with the acquisition.

The net profit/loss from discontinued operations and value adjustments after tax on associated assets and liabilities as well as gains/losses upon sale are presented in a separate line in the income statement, and comparative figures are restated. Revenue, costs, value adjustments and tax for the discontinued operations are stated in the notes. Assets and associated liabilities for discontinued operations are stated in separate lines in the balance sheet without restatement of comparative figures, see the section 'Assets held for sale', and the main items are specified in the notes.

Cash flows from operating, investing and financing activities for the discontinued operations are stated in a note.

Group chart



The group was restructured in Q2 2014 with the divestment of the Telecom business segment in view, and Dantherm Cooling Holding A/S with subsidiaries will be divested after the balance sheet date.

Disclaimer

This announcement contains forward-looking statements that reflect the management's current perception of future events and financial results. The statements made about 2014 and coming years are naturally subject to uncertainty, and Dantherm's actual results may therefore deviate from the outlook. Factors which may cause the actual results to deviate from the outlook include, but are not limited to, changes in the group's activities and market conditions, such as raw materials prices, exchange rates and the economic climate. This interim report should not be construed as an encouragement to buy or sell shares in Dantherm.