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Quarterly report Q2 2011
(Q2 2010 figures in brackets)

The Solar Group recorded revenue growth in Q2 2011 while EBITA was reduced. Expectations for revenue and EBITA in the year 2011 are adjusted downwards.

Group CEO Flemming H. Tomdrup about Q2 2011:
Both revenue and EBITA were at lower levels than expected and clearly unsatisfactory. Q2 as a whole could not offset the weak April results. We are pleased that the group's cash flows are showing such positive notes. In total, cash flows were up € 15.8m compared with Q1 2011. We are also seeing a strengthened market position in Solar Norge as they are adhering to the restructuring plan introduced following the SAP implementation.

Financial highlights (€ million)	**Q2 2011**	**Q2 2010**	**H1 2011**	**H1 2010**
Revenue	358.5	338.2	718.3	667.5
EBITA	1.0	9.4	7.1	15.4
Earnings before tax	-4.0	6.2	-2.6	8.4
Cash flow from operating activities	20.2	7.7	14.6	18.4
Financial ratios (%)				
Organic growth	3.7	-5.2	4.6	-9.9
EBITA	0.3	2.8	1.0	2.3
Net working capital	15.0	15.3	15.0	15.3

Revenue in Q2 2011:
- Revenue growth was 6.0% (-1.9%).

EBITA in Q2 2011:
- The German enterprise generated unsatisfactory Q2 results in 2011 and several enterprises failed to meet expected levels.
- A combination of organic growth and gross profit both underperforming meant that we did not generate expected EBITA levels.

Net working capital:
- Net working capital was reduced to 15.0% (15.3%).
- Net working capital was negatively impacted by Norway where this figure was 20.9% of the last 12 months' revenue at the end of Q2 2011 against 13.6% at the end of Q2 2010.

Expectations for 2011:

- Expectations for 2011 are downgraded to revenue between € 1,465-1,505m against the previously announced € 1,485-1,525m. EBITA is downgraded to between € 35-43m against the previous announcements of € 45-52m.
- The revenue downgrading is based on the emerging slowdown in growth evident in several markets.
- When comparing to 2010, these new expectations represent organic growth between 2-5% against previous forecasts of 3-6%.
- Declining growth combined with a reduced gross profit percentage will impact earnings negatively. In Q2, we have launched a number of activities aimed at strengthening gross profit in H2 2011.
- Overall waning growth in our markets in Northern Europe calls for further restructuring in H2 to adjust cost levels to this expected new market situation.
- Expectations still include Solar 8000 (SAP) roll-out costs of € 7.0m.
- We will be cautious when it comes to further acquisitions in the current situation.

Solar 8000 (SAP)

- The transition to Solar 8000 in Norway has led to an operating loss. It is estimated that this has been reduced to approximately € 2.5m in Q2 2011 against € 3.5m in Q1 2011. This means that Norway is on track with the restructuring plan. The enterprise generated positive results in June – the first since the SAP implementation.
- The first review of the group template has now been completed. The remaining review procedures will be finalised in the autumn of 2011. Roll-out in the next countries will continue when the revised template has been fully incorporated. This should minimise roll-out related risks.
- We still expect to roll out Solar 8000 in the four enterprises in the Netherlands, Denmark, Sweden and Germany by the end of 2012. The total investment in Solar 8000 is still set at € 55m.

Q2 presentation and webcast today
The presentation of quarterly report Q2 2011 will be held at NASDAQ OMX Copenhagen today at 9.00, and a webcast in English will be transmitted online for live viewing at www.solar.eu.

Yours sincerely,
Solar A/S

Flemming H. Tomdrup

Facts about Solar
Solar A/S (formerly Aktieselskabet Nordisk Solar Compagni) was founded in 1919 and listed on the Copenhagen Stock Exchange in 1953. Solar is one of Northern Europe's leading technical wholesalers within electrical, heating, plumbing and ventilation products. The group based in Kolding, Denmark, has subsidiaries operating under the Solar brand in Denmark incl. the Faroe Islands, Sweden, Norway, the Netherlands, Germany and Poland. Furthermore, Solar's Aurora Group operates in Denmark, Sweden, Norway and Finland. In 2010, Solar's revenue totalled € 1,401.5m, corresponding to DKK 10.4bn. The group has approximately 3,000 employees.

For further information, go to: www.solar.eu

Enclosure: Quarterly report Q2 2011, pages 1-25

Quarterly Report Q2 2011

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ANNOUNCEMENT NO. 13, 17 AUGUST 2011
QUARTERLY REPORT Q2 2011

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FINANCIAL HIGHLIGHTS

CONSOLIDATED	Q2		H1		Year
Financial and operating data of income statement (€ million)	**2011**	**2010**	**2011**	**2010**	**2010**
Revenue	358.5	338.2	718.3	667.5	1,401.5
Earnings before interest, tax and amortisation (EBITA)	1.0	9.4	7.1	15.4	49.0
Operating profit before special items	(2.2)	7.6	0.9	11.9	41.6
Earnings before interest and tax (EBIT)	(2.2)	7.6	0.9	11.9	41.6
Financials, net	(1.8)	(1.4)	(3.5)	(3.5)	(6.2)
Earnings before tax (EBT)	(4.0)	6.2	(2.6)	8.4	35.4
Net profit for the period	(3.8)	3.9	(3.5)	4.9	24.6
Earnings per share in € per share outstanding (EPS)	(0.48)	0.50	(0.45)	0.62	3.13
Earnings per share excluding amortisation in € per share outstanding (EPS)	(0.08)	0.73	0.34	1.07	4.07
Financial and operating data of balance sheet (€ million)					
Assets, total	683.5	646.4	683.5	646.4	684.1
Net investments in intangible assets	0.6	5.1	1.5	10.0	15.7
Net investments in property, plant and equipment	0.7	2.2	2.1	6.0	6.4
Share capital outstanding	105.3	105.4	105.3	105.4	105.4
Total equity	271.8	257.9	271.8	257.9	284.9
Interest-bearing liabilities	170.3	153.9	170.3	153.9	158.1
Interest-bearing liabilities, net	97.4	105.4	97.4	105.4	98.5
Financial and operating data of cash flow statement (€ million)					
Cash flow from operating activities	20.2	7.7	14.6	18.4	46.6
Cash flow from investing activities	(1.3)	(7.3)	(3.6)	(13.3)	(32.1)
Cash flow from financing activities	(13.4)	(7.7)	(15.8)	(11.0)	(13.8)
Financial ratios (% unless otherwise stated)					
Revenue growth	6.0	(1.9)	7.6	(7.0)	(2.1)
Organic growth [1]	3.7	(5.2)	4.6	(9.9)	(4.8)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	1.1	3.6	1.8	3.2	4.3
Earnings before interest, tax and amortisation (EBITA)	0.3	2.8	1.0	2.3	3.5
Earnings before interest and tax (EBIT)	(0.6)	2.2	0.1	1.8	3.0
Operating margin	(1.1)	1.2	(0.5)	0.7	1.8
Net working capital (NWC)/revenue (LTM) [2]	15.0	15.3	15.0	15.3	15.9
Gearing (net interest(bearing liabilities/EBITDA), no. of times	1.9	2.2	1.9	2.2	1.6
Return on equity (ROE)	(5.4)	6.0	(2.5)	3.8	9.1
Return on equity (ROE) excl. amortisation	(0.9)	8.8	1.9	6.5	11.8
Return on invested capital (ROIC) [3]	(2.1)	4.9	0.7	3.5	7.0
Return on invested capital (ROIC) excl. amortisation [3]	0.6	6.8	2.6	5.6	8.8
Adjusted market capitalisation/operating profit or loss (EV/EBITA)	121.8	13.0	34.3	15.9	11.1
Equity ratio	39.8	39.9	39.8	39.9	41.6
Intrinsic value in € per share outstanding	34.6	32.8	34.6	32.8	36.3
Share price in €	49.8	49.1	49.8	49.1	56.6
Share price/intrinsic value	1.44	1.50	1.44	1.50	1.56
Share price in DKK	371	366	371	366	422
Employees					
Average number of employees (FTE)	3,076	2,917	3,052	2,945	2,955

1 No adjustments have been made for the acquisition of Otra Danmark operations.
2 Calculated as inventories and trade receivables excl. trade payables at the end of the period in proportion to revenue for the last 12 months. No adjustments have been made for acquired operations.
3 Calculated on the basis of operating profit before special items.

GROUP REPORT

Q2 2011

Revenue

Revenue was up € 20.3m at € 358.5m, corresponding to revenue growth of 6.0%. Organic growth was 3.7% against -5.2% in Q2 2010.

Revenue did not meet expectations.

EBITA

EBITA was € 1.0m in Q2 2011, down from € 9.4m in Q2 2010, meaning that it came to 0.3% of revenue in Q2 2011 against 2.8% of revenue in Q2 2010.

Q2 2011 EBITA reflects a negative impact from restructuring costs related to staff reductions of € 0.7m against € 0.1m in Q2 2010 as well as Solar 8000 (SAP) roll-out costs of € 1.6m.

The transition to Solar 8000 in Norway has led to an operating loss. It is estimated that this has been reduced to approximately € 2.5m in Q2 2011 against € 3.5m in Q1 2011. This means that Norway is on track with the restructuring plan.

The German enterprise generated unsatisfactory Q2 results in 2011 and several enterprises failed to meet expected levels.

A combination of organic growth and gross profit both underperforming meant that we did not generate expected EBITA levels.

Earnings before tax (EBT) and net profit for the period

EBT amounted to € -4.0m in Q2 2011 compared with € 6.2m in Q2 2010. Q2 results totalled € -3.8m against € 3.9m in Q2 2010.

H1 2011

Revenue

Revenue was up € 50.8m at € 718.3m, corresponding to revenue growth of 7.6%. Meanwhile, organic growth was 4.6% against -9.9% in H1 2010.

Thus, the budding improvements seen by the group in market conditions in most markets in H2 2010 have carried into Q2 2011 although not as pronounced as in Q1.

EBITA

EBITA was € 7.1m in H1 2011, down from € 15.4m in H1 2010, equalling 1.0% of revenue in H1 2011 while the figure was 2.3% in H1 2010.

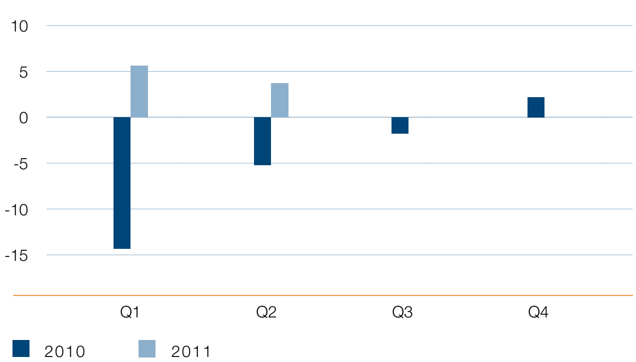
Gross profit was down from 21.5% in H1 2010 to 21.2% in H1 2011.

In H1 2011, EBITA was negatively impacted by restructuring costs related to staff reductions of € 0.7m against € 1.4m in H1 2010 as well as Solar 8000 (SAP) roll-out costs of € 2.1m.

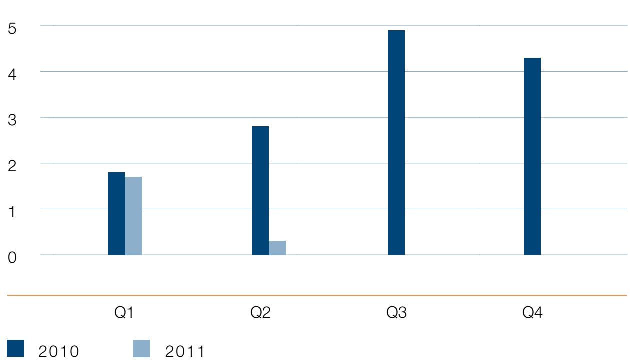
It is estimated that the transition to Solar 8000 (SAP) in Norway resulted in a total H1 2011 operating loss of approximately € 6.0m.

The German enterprise generated unsatisfactory results in H1 2011 and several enterprises failed to reach expected levels. In addition, Norway's Q1 results were unsatisfactory but the enterprise was on track with the targets of the restructuring plan in Q2.

Organic growth in %



EBITA in % of revenue



GROUP REPORT

Solar 8000 (SAP) was implemented in Norway in September 2010. In the subsequent two quarters, the enterprise focused on stabilising system operation and guaranteeing our customers stable supplies. Consequently, Solar Norge strengthened its market position in H1 2011 as the measures implemented produced a high-level consistency of supply while allowing the enterprise to create organic growth at the same time.

We have launched the initiatives necessary to strengthen Solar Norge's earnings. These include measures aimed at reducing the use of temporary workers and strengthening gross profit while reducing net working capital by the end of 2011. As a result of these initiatives, the enterprise generated positive results in June – the first since the SAP implementation.

SAP team members provided extra resources in the form of operational support to Norway to ensure stable operation of Solar 8000. These costs dropped significantly to € 0.2m in Q2 from € 0.9m in Q1. This operational support does not form part of the investments in Solar 8000.

Meanwhile, sales in Germany did not develop as expected. One example is the solar cell market where sales were more than halved in H1 2011.

Solar Deutschland's efforts now centre around consolidating positive earnings development in the next few years. Special focus is placed on strengthening earnings from the sale of the Solar Plus and Solar Light concepts. The new management team in Germany has restructured the sales organisation extensively to bring the necessary focus on small and medium-sized contractors and industry customers.

Amortisation

Amortisation amounted to € 6.2m in H1 2011 against € 3.5m in H1 2010. Solar has begun amortisation of Solar 8000 (SAP) which affected H1 2011 by € 2.1m.

EBT and net profit for the period

EBT was € -2.6m in H1 2011 compared with € 8.4m in H1 2010, and net profit for the period was € -3.5m against € 4.9m in H1 2010.

As previously reported, activity levels in group markets were very low in April, and activities in May and June have not offset this. As such, the group's H1 2011 results were unsatisfactory.

Investments

Investments in Solar 8000 totalled € 3.5m in H1 2011, and € 1.4m of these have been capitalised while € 2.1m have been expensed. This brings the total investment to € 36.7m with € 33.3m already capitalised, cf. Solar 8000 note on page 8.

In Q1 2011, the overall Solar 8000 investment was revalued, leading to an increase in the expected total cost of the project to € 55m.

Net investments in property, plant and equipment totalled € 2.1m in H1 2011.

Cash flows

Cash flows have shown a positive trend. When comparing with the levels in Q1 2011, cash flows were up € 15.8m in total at € 5.5m. Concurrently, shareholder dividends of € 10.5m were distributed in Q2.

Cash flow from operating activities was € 14.6m against € 18.4m in H1 2010. Net working capital totalled € 217.6m, equating to 15.0% of revenue for the last 12 months while this percentage was 15.3% in H1 2010. Net working capital was negatively impacted by Norway where this figure was 20.9% of the last 12 months' revenue at the end of Q2 2011 against 13.6% at the end of Q2 2010.

Cash flow from investing activities was € -3.6m against € -13.3m in H1 2010. The divestment of operations in Solar Suomi Oy in H1 2010 impacted cash flow from investing activities positively by € 2.7m.

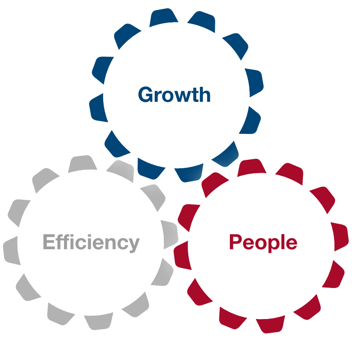
Cash flow from financing activities totalled € -15.8m against € -11.0m in H1 2010. For the same periods, dividends distributed to the company's shareholders made up € 10.5m against € 4.5m in H1 2010.

This positive trend in cash flows led to a reduction in interest-bearing liabilities, net, to € 97.4m in H1 2011, down from € 105.4m in H1 2010. Solar's had undrawn credit facilities worth € 132.6m as at 30 June 2011. Solar's agreements with its main bankers are not covered by any covenants.

Gearing was reduced to 1.9 times EBITDA for the last 12 months compared to 2.2 times EBITDA in H1 2010.

Key risks

Solar's Annual Report 2010 describes the commercial and financial risks related to Solar's activities. The key risk remains that the group, like other international companies, is affected by both global trends and local conditions in the markets where it operates. Also, see page 8 for more details about Solar 8000.



GROUP REPORT
STRATEGIC MEASURES

The Solar Group's "#1 in Technical Wholesale" strategy spans the period until 2015. The strategy was designed to strengthen earnings and underpin the group's position as the leading technical wholesaler within electrical, plumbing and ventilation components in selected markets. We have opted for a total of ten strategic initiatives, company programmes, within the focus areas Growth, Efficiency and People. Each programme is designed to help the group reach its financial objectives. For further information, please visit www.solar.eu.

Initiatives aimed at establishing the group's position as "#1 in Technical Wholesale" have been launched and encompass a broadening of Solar's sales concepts, including Solar Light. The significant focus on energy efficiency, which also includes recently introduced EU and local regulations, provides the group with a potential basis for increasing the sale of energy-efficient lighting solutions.

The group's decision to expand Solar Light activities in all markets requires significant capacity and competence building in the product and sales departments. In fact, a number of new employees joined the Norwegian, Swedish and Dutch enterprises in H1. Moreover, build-up of these Light organisations is now almost finalised in all three markets.

Group-wide roll-out of the strategic initiative Value Realisation continues with its focus on optimisation of sales, product and logistics processes. Additionally, this initiative also prepares enterprises for their eventual transition to Solar 8000.

Solar 8000

Today, Solar is implementing group-standardised processes and moving part of the group's in house-developed ERP system to Solar 8000 (SAP). In Q3 2010, Solar Norge AS became the first Solar enterprise to implement this business concept.

Solar expects the Norwegian Solar 8000 implementation to yield specific levels of efficiency. Thus, work to optimise former processes has begun and is progressing as planned.

The first review of the group template has now been completed. The remaining review procedures will be finalised in the autumn of 2011. Roll-out in the next countries will continue only when the revised template has been fully incorporated. This should minimise roll-out related risks.

We still expect to roll out Solar 8000 in the four enterprises in the Netherlands, Denmark, Sweden and Germany by the end of 2012.

Solar 8000

€ million	2008	2009	2010	Q1 2011	Q2 2011	Total
Capitalised	4.7	12.4	14.8	0.8	0.6	33.3
Expensed [1]	0.0	0.0	1.3	0.5	1.6	3.4
Total	**4.7**	**12.4**	**16.1**	**1.3**	**2.2**	**36.7**
Accumulated	**4.7**	**17.1**	**33.2**	**34.5**	**36.7**	
Expensed:						
Solar A/S, parent company	0.0	0.0	1.3	0.0	0.0	1.3
Solar Nederland	0.0	0.0	0.0	0.5	1.6	2.1
Total	**0.0**	**0.0**	**1.3**	**0.5**	**1.6**	**3.4**
Amortisation, group	**0.0**	**0.0**	**0.1**	**1.0**	**1.1**	**2.2**

[1] Costs have been expensed under other external costs and staff costs, respectively. The Solar 8000 investment does not include costs of operational support and operating loss. Thus, these are not covered by the above information.

GROUP REPORT
DEVELOPMENT IN THE INDIVIDUAL GROUP ENTERPRISES

Solar Danmark A/S

In Q2 2011, Solar Danmark saw a continuation of the positive revenue growth that began in Q4 2010. Growth is impacted by the acquisition of Otra Danmark A/S activities in September 2010.

Activity levels remain relatively low with contractor customers within new construction, and short-term order horizons still dominated this sector. Still more building projects are launched, especially within the public sector. Some major private projects are also in the pipeline and we are seeing an increase in the floor area begun for dwellings. As from 1 June 2011, private individuals get tax relief on year-round residence renovations but as these are early days in that respect, we cannot yet assess the effect of this government-introduced measure. All in all, these measures are expected to impact earnings positively in H2 2011 however.

The upward trend in revenue from industry customers has stagnated. Investments appear to have stabilised at a relatively low level, while MRO activity (maintenance, repairs and operations) is showing more promise. We are currently running the first projects optimising energy in existing buildings in cooperation with technical contractors. Solar Consulting is working closely with several customers, planning further projects.

In Q2, new staff was hired for plumbing and Solar Consulting while we also engaged some specialists within renewable energy to boost our competences in this area.

Solar Danmark's Q2 results did not match expectations. As a result, the enterprise has launched several initiatives to improve earnings, including a number of activities aimed at strengthening gross profit.

Solar Sverige AB

Solar Sverige experienced stable activity levels for contractors within new construction and renovations.

Sales to industry customers are stable but there were signs of slowdown in late H1.

Thomas Keifer joined Solar Sverige as CED in Q2 2011.

We are seeing fierce competition from plumbing market leaders, and efforts to strengthen market position within plumbing continues. The introduction of plumbing products in a number of existing electrical branches has begun, and further plumbing staff were hired in Q2 2011.

Also, staff has been hired to strengthen our Solar Light organisation

The supply of electrical products to a number of projects has been delayed but is still expected to show positive effects in H2 2011.

Financial highlights for Solar A/S, parent company

€ million	Q1	Q2	Q3	Q4
2011				
Revenue	91.7	87.6		
EBITA	4.9	3.5		
Organic growth %	15.6[1]	10.2[1]		
EBITA %	5.3	4.0		
2010				
Revenue	79.5	79.7	83.5	98.0
EBITA	2.9	4.8	8.0	6.9
Organic growth %	(21.2)	(6.8)	1.5[1]	12.5[1]
EBITA %	3.6	6.0	9.6	7.0

[1] No adjustments have been made for the acquisition of Otra Danmark.

Financial highlights for Solar Sverige AB

€ million	Q1	Q2	Q3	Q4
2011				
Revenue	75.0	79.0		
EBITA	2.7	2.6		
Organic growth %	4.0	2.1		
EBITA %	3.6	3.4		
2010				
Revenue	64.3	72.5	69.4	85.9
EBITA	1.8	3.1	3.9	4.0
Organic growth %	(5.3)	1.5	0.2	3.3
EBITA %	2.8	4.3	5.6	4.7

Solar Norge AS

Contractors are getting more work within both private and business-related construction. Major private projects are in the pipeline. All in all, these measures are expected to impact earnings positively in H2 2011.

Now, we are also seeing growth within MRO activity (maintenance, repairs and operation), reflected in sales to industry customers.

Overall, the Norwegian market is developing positively within all business areas. We estimate that Solar Norge's organic growth of 5.3% in Q2 2011 exceeds the market trend.

Norway is also working to strengthen their Solar Light organisation and has hired staff for this purpose.

Q2 operations were negatively impacted by the Solar 8000 implementation. To ensure continued operation, the enterprise retained a significant number of temporary workers. Direct costs related to this decision reduced Q2 earnings by some € 0.4m.

We estimate that the loss of efficiency experienced in connection with the transition to Solar 8000 and the above direct costs have led to a total Q2 2011 operating loss of € 2.5m against the Q1 loss of € 3.5m.

We have launched the initiatives necessary to strengthen Solar Norge's earnings. These include measures aimed at reducing the use of temporary workers and strengthening gross profit while reducing net working capital by the end of 2011. As a result of these initiatives, the enterprise generated profit in June – a first since the SAP implementation.

Financial highlights for Solar Norge AS

€ million	Q1	Q2	Q3	Q4
2011				
Revenue	55.3	57.9		
EBITA	(1.7)	(1.0)		
Organic growth %	4.8	5.3		
EBITA %	(3.1)	(1.5)		
2010				
Revenue	50.9	54.5	54.5	56.9
EBITA	2.0	1.5	4.0	(0.8)
Organic growth %	(12.9)	(4.1)	1.2	(4.7)
EBITA %	3.9	2.8	7.3	(1.4)

Solar Nederland B.V.

Activity levels for industry customers continue the slightly upward trend, however up from a very low level. We expect sales to major investment projects to rise over the coming quarters.

The construction market is still showing a negative trend with considerable price pressure on the relatively few projects offered.

As at 1 June 2011, tax rates on property deals were reduced from 6% to 2% for a period of 12 months which should increase real property turnover. In July alone, the number of deals was up 20% compared to the level seen in July 2010.

Our new sales organisation is working as planned following extensive organisational changes completed in H2 2010. A number of initiatives are expected to contribute positively to growth and earnings in H2 2011.

Also, staff has been hired to strengthen our Solar Light organisation.

In spite of these difficult market conditions, we expect to achieve improved earnings in 2011, before the distribution of Solar 8000 roll-out costs, compared to 2010.

Financial highlights for Solar Nederland B.V.

€ million	Q1	Q2	Q3	Q4
2011				
Revenue	86.4	81.9		
EBITA	1.8 [1]	-1.3 [1]		
Organic growth %	1.2	5.8		
EBITA %	2.1	(1.6)		
2010				
Revenue	85.4	77.4	72.9	96.5
EBITA	0.7	1.1	(0.1)	5.1
Organic growth %	(16.2)	(15.0)	(8.8)	(1.8)
EBITA %	0.8	1.4	(0.1)	5.3

[1] Solar 8000 roll-out costs impacted EBITA by € 0.5m in Q1 2011 and € 1.6m in Q2 2011.

Solar Deutschland GmbH

The waning levels of activity experienced in Q1 2011 have continued into Q2 2011. Construction is still showing weak positive growth and only the industry sector, where the company has an insignificant market share, is showing positive growth rates. At the same time, the sale of solar cells has dropped noticeably in 2011.

The enterprise is working to secure a sound development in profit over the next years. Special focus is placed on strengthening earnings from the sale of the Solar Plus and Solar Light concepts. The launch of Solar Gateway earlier in 2011 is already helping us reach the goal of increasing the number of orders placed via e-business.

The new management team has restructured the sales organisation extensively to bring the necessary focus on small and medium-sized contractors and industry customers. One part of this restructuring has been the establishment of five competence centres and conversion of the remaining branches into drive-ins. This process has impacted results negatively by € 0.7m, and further restructuring costs of approximately € 1.0m are expected in H2 2011. We expect H2 earnings to remain at an unsatisfactory level.

Solar Polska Sp. z o.o.

Industry continues to prosper and activity levels within new construction are also showing positive trends.

As stated in past reports, the preparations for EURO 2012 (the European soccer championships) have meant an influx of construction and infrastructure projects. Several of these have been obtained by Solar customers and we have already begun supplying the materials.

Solar Polska is working to improve sales within the Solar Plus, Solar Light and Solar Industry concepts.

Also, a new branch opened in Krakow in Q2.

We expect to continuously improve our market position through a combination of organic growth and acquisitions.

Financial highlights for Solar Deutschland GmbH

€ million	Q1	Q2	Q3	Q4
2011				
Revenue	30.2	33.2		
EBITA	(2.0)	(2.5)		
Organic growth %	(6.3)	(11.5)		
EBITA %	(6.6)	(7.5)		
2010				
Revenue	32.3	37.4	36.9	36.0
EBITA	(1.9)	(0.8)	0.1	0.9
Organic growth %	(9.5)	4.9	(2.7)	(5.8)
EBITA %	(5.9)	(2.1)	0.3	2.5

Financial highlights for Solar Polska Sp. z o.o.

€ million	Q1	Q2	Q3	Q4
2011				
Revenue	7.8	8.8		
EBITA	(0.3)	0.3		
Organic growth %	55.2	13.0		
EBITA %	(3.8)	2.6		
2010				
Revenue	4.7	7.1	7.6	9.1
EBITA	(0.4)	0.0	0.0	(0.1)
Organic growth %	(14.2)	21.6	20.1	35.1
EBITA %	(8.5)	0.0	0.0	(1.1)

P/F Solar Føroyar

In Q2 2011, Solar Føroyar showed organic growth for the first time since 2008.

Aurora Group

Continued negative trends in sales to a few major chain customers in Norway and Sweden and reductions in inventories with our customers have impacted sales negatively in Q2 2011. By contrast, the sale of products to customers gained in connection with the acquisition of the Hanestrom and Melitta/Gameo activities in H2 2010 continues to increase.

Aurora Group's overall work on building strong brand positions for a number of leading international manufacturers is ongoing and strengthens our market position.

H1 results did not match expectations.

Financial highlights for P/F Solar Føroyar

€ million	**Q1**	**Q2**	**Q3**	**Q4**
2011				
Revenue	0.9	0.8		
EBITA	0.1	0.0		
Organic growth %	(11.1)	5.2		
EBITA %	11.1	1.5		
2010				
Revenue	1.1	0.7	0.8	1.0
EBITA	0.2	0.0	0.0	0.1
Organic growth %	(5.9)	(13.0)	(7.6)	(10.8)
EBITA %	14.3	2.9	5.3	10.0

Financial highlights for Aurora Group

€ million	**Q1**	**Q2**	**Q3**	**Q4**
2011				
Revenue	14.4	11.0		
EBITA	0.6	(0.4)		
Organic growth %	(4.2)	(10.0)		
EBITA %	4.2	(4.3)		
2010				
Revenue	12.6	10.5	12.4	16.1
EBITA	0.6	(0.2)	0.4	1.0
Organic growth %	(8.5)	(0.5)	(7.2)	(5.8)
EBITA %	4.8	(1.9)	3.2	6.2

GROUP REPORT
EXPECTATIONS 2011

Market expectations

The Danish market is characterised by the fact that we are in technical recession. We do, however, expect Solar Danmark to realise positive organic growth in 2011. A number of technical construction projects obtained in 2010 will have a positive impact on earnings from 2011. Also, we expect to see an ever-increasing effect of our Blue Energy concept, presenting energy-efficient solutions for both new and existing buildings.

We expect the Swedish economy to give us plenty of legroom to grow in Sweden in 2011 despite the current slowdown. New appointments in the Solar Light organisation should also improve earnings over the year as will our geographical expansion within plumbing in 2011. In addition, a positive effect should also result from several major projects that we are supplying electrical materials for in H2.

We expect the Norwegian market to be strengthened and show higher activity levels in all business areas. However, when it comes to housing, we still do not see the market reaching a level that matches demand. Our newly boosted Solar Light organisation is now almost in place and should improve sales of lighting projects over the coming quarters. We expect positive organic growth in Norway in 2011.

In the Dutch market, we expect 2011 to be characterised by continued low construction activity but improved sales to industry customers. In the course of 2011, we should see positive organic growth, primarily underpinned by the expected strengthened market position, achieved in part by the recently founded Solar Light organisation.

As the German construction sector is still showing only weak positive growth, and the industry sector, where our market share is insignificant, is alone in showing positive growth rates, we expect negative growth in 2011.

The positive development in Poland is expected to continue in 2011, and we therefore expect to achieve positive growth here.

Aurora Group operates within the consumer market for consumer electronics, and this market is expected to show negative trends in 2011.

Business expectations

The business areas renewable energy, lighting as well as energy supply and infrastructure are also expected to return relatively high growth rates in 2011. However, more traditional and large areas relating to new construction, such as installation equipment and cables, will only show modest growth. We also expect sales of industrial components to increase in 2011 from the 2010 level.

The market for energy optimisation of existing buildings, including lighting projects, and renovations to and upgrades of public buildings in particular, is expected to develop positively.

Expectations for Solar 8000

We still expect to roll out the concept in the four enterprises in the Netherlands, Denmark, Sweden and Germany before the end of 2012.

The total investment in Solar 8000 is still set at € 55m.

Financial expectations

Expectations for 2011 are downgraded to revenue between € 1,465-1,505m against the previously announced € 1,485-1,525m. EBITA is downgraded to between € 35-43m against the previous announcements of € 45-52m.

The revenue downgrading is based on the emerging slowdown in growth evident in several markets. This summer's financial disquiet has clearly increased the risk of a further drop in market growth during this first half of our strategy period (2010-2012), potentially resulting in lower growth levels than expected. At present, we are faced with the real risk of going into a long period of lower market growth than assumed which will impact the last part of this strategy period (2013-2015).

When comparing to 2010, these new expectations represent organic growth between 2-5% against previous forecasts of 3-6%.

Declining growth combined with a reduced gross profit percentage will impact earnings negatively. In Q2, we have launched a number of activities aimed at strengthening gross profit in H2 2011. Despite these measures, we expect a reduced gross profit percentage compared with previously announced levels.

Solar Deutschland has already implemented considerable restructuring in connection with a reorganisation of their sales functions, and the other Solar enterprises have also completed minor restructuring processes. Overall waning growth in our markets in Northern Europe calls for further restructuring in H2 to adjust cost levels to this expected new market situation. Planned restructuring which include a reduction in the number of temporary workers in Solar Norge will result in annual savings of approximately € 5m.

Expectations still include Solar 8000 (SAP) roll-out costs of € 7.0m.

Work to reduce net working capital will continue in 2011. The target is for net working capital to make up no more than 13% of revenue at the most by the end of 2011.

In 2011, focus will be on implementation and execution of
• Solar 8000 and Value Realisation
• strengthening earnings
• other strategic initiatives

As usual, we will announce our expectations for 2012 when we publish our Q3 2011 report. We also expect this report to include an update of the strategic objectives for 2013-2015.

GROUP REPORT
SHAREHOLDER INFORMATION

Solar's share capital is composed of nominally € 12.1m A shares and nominally € 94.1m B shares.

A shares are not listed. B shares are listed on NASDAQ OMX Copenhagen under the ID code DK0010274844 with the short designation SOLAR B and form part of the MidCap index and MidCap on NASDAQ OMX Nordic.

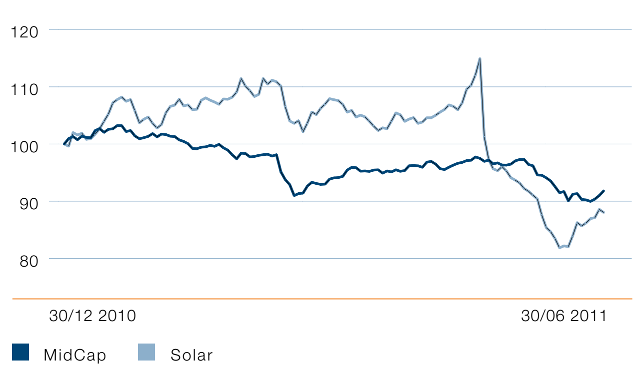
As at 30 June 2011, the following shareholders had registered ownership shares or voting rights of 5% or more of the total share capital:

	Shares	Votes
The Fund of 20 December, Kolding	15.6%	57.5%
Chr. Augustinus Fabrikker A/S, Copenhagen	10.3%	5.1%
Arbejdsmarkedets Tillægspension, Hillerød	7.7%	3.8%

Share price development

On 30 June 2011, the price of Solar's B share was DKK 371 against DKK 422 at the start of the year

Share price development (index)



Financial calendar 2011

19 October – 16 November	IR quiet period
16 November	Quarterly report Q3 and webcast

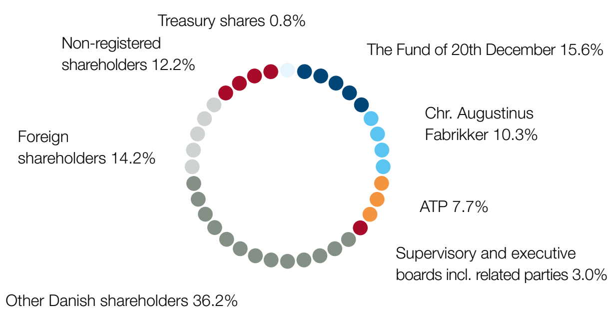
Webcast

The presentation of quarterly report Q2 2011 will be transmitted online from NASDAQ OMX Copenhagen on 17 August 2011 at 9.00, and will be available for live viewing at www.solar.eu.

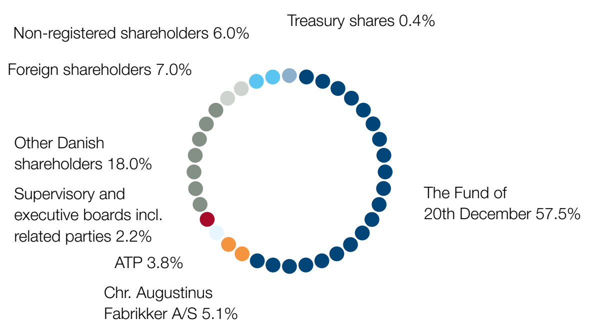
Announcements 2011 excl. insider announcements

Date	No.	Announcement
30.06	12	Solar A/S now expects a finalisation of the acquisition of four electrical wholesalers by mid-September
18.05	11	Quarterly report Q1 2011
08.04	10	Articles of association
08.04	9	Course of annual general meeting (AGM) of Solar A/S
25.03	8	Issue of options to the Executive Board and Management Team
16.03	7	Notice of annual general meeting
10.03	5	Issue of options to the Executive Board and Management Team of Solar A/S
10.03	4	Annual Report 2010
08.03	3	Solar A/S has initiated negotiations for the acquisition of four electrical wholesalers
28.02	2	New CED appointed in Solar Sverige AB
21.01	1	New CED appointed in Solar Deutschland GmbH

Distribution of share capital as at 30 June 2011



Distribution of votes as at 30 June 2011



INCOME STATEMENT
CONSOLIDATED

€ million	Q2 2011	Q2 2010	H1 2011	H1 2010	Year 2010
Revenue	**358.5**	**338.2**	**718.3**	**667.5**	**1,401.5**
Cost of sales	(284.9)	(265.8)	(566.2)	(523.8)	(1,101.7)
Gross profit	**73.6**	**72.4**	**152.1**	**143.7**	**299.8**
External operating costs	(18.4)	(14.1)	(36.0)	(30.2)	(60.2)
Staff costs	(50.4)	(45.5)	(101.1)	(91.0)	(175.8)
Loss on trade receivables	(0.8)	(0.5)	(1.9)	(1.3)	(3.2)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**4.0**	**12.3**	**13.1**	**21.2**	**60.6**
Depreciation on property, plant and equipment	(3.0)	(2.9)	(6.0)	(5.8)	(11.6)
Earnings before interest, tax and amortisation (EBITA)	**1.0**	**9.4**	**7.1**	**15.4**	**49.0**
Amortisation of intangible assets	(3.2)	(1.8)	(6.2)	(3.5)	(7.4)
Earnings before interest and tax (EBIT)	**(2.2)**	**7.6**	**0.9**	**11.9**	**41.6**
Financial income	1.4	1.1	2.5	2.3	5.5
Financial costs	(3.2)	(2.5)	(6.0)	(5.8)	(11.7)
Earnings before tax (EBT)	**(4.0)**	**6.2**	**(2.6)**	**8.4**	**35.4**
Corporation tax	0.2	(2.3)	(0.9)	(3.5)	(10.8)
Net profit for the period	**(3.8)**	**3.9**	**(3.5)**	**4.9**	**24.6**
Earnings per share in € per share outstanding (EPS)	(0.48)	0.50	(0.45)	0.62	3.13
Diluted earnings per share in € per share outstanding (EPS-D)	(0.48)	0.50	(0.44)	0.62	3.12

STATEMENT OF COMPREHENSIVE INCOME

	Q2 2011	Q2 2010	H1 2011	H1 2010	Year 2010
Net profit for the period	**(3.8)**	**3.9**	**(3.5)**	**4.9**	**24.6**
Other income and costs recognised:					
Foreign currency translation adjustment at beginning of period	0.0	(0.2)	(0.1)	(0.3)	(0.3)
Foreign currency translation adjustment of foreign subsidiaries	(0.8)	0.6	(0.6)	4.6	8.3
Value adjustment of hedging instruments before tax	(1.0)	(2.6)	2.0	(5.5)	(0.7)
Tax on value adjustments of hedging instruments	0.3	0.7	(0.4)	1.4	0.1
Other income and costs recognised after tax	**(1.5)**	**(1.5)**	**0.9**	**0.2**	**7.4**
Total comprehensive income for the period	**(5.3)**	**2.4**	**(2.6)**	**5.1**	**32.0**

BALANCE SHEET
CONSOLIDATED

€ million	30 June 2011	30 June 2010	31 December 2010
ASSETS			
Intangible assets	63.8	62.5	68.9
Property, plant and equipment	170.8	177.4	175.3
Investments	1.0	1.6	0.8
Non-current assets	**235.6**	**241.5**	**245.0**
Inventories	144.0	138.5	158.0
Trade receivables	218.3	200.4	210.8
Corporation tax receivable	8.0	9.8	3.9
Other receivables	1.5	3.7	4.3
Prepayments	3.2	2.6	2.5
Securities	30.6	0.0	30.9
Cash and cash equivalents	42.3	48.5	28.7
Assets held for sale	0.0	1.4	0.0
Current assets	**447.9**	**404.9**	**439.1**
Total assets	**683.5**	**646.4**	**684.1**
EQUITY AND LIABILITIES			
Share capital	106.2	106.3	106.3
Reserves	(5.4)	(13.6)	(6.4)
Retained earnings	171.0	165.2	174.5
Proposed dividends	0.0	0.0	10.5
Equity	**271.8**	**257.9**	**284.9**
Interest-bearing liabilities	124.5	130.9	130.5
Other liabilities	0.0	0.1	0.0
Provision for pension obligations	2.0	4.1	1.9
Provision for deferred tax	25.5	20.6	25.5
Other provisions	4.9	5.2	5.1
Non-current liabilities	**156.9**	**160.9**	**163.0**
Interest-bearing liabilities	45.8	23.0	27.6
Trade payables	144.7	127.8	145.7
Corporation tax payable	1.7	7.7	1.5
Other payables	58.0	63.7	58.7
Prepayments	2.2	1.1	0.0
Other provisions	2.4	4.3	2.7
Current liabilities	**254.8**	**227.6**	**236.2**
Liabilities	**411.7**	**388.5**	**399.2**
Total equity and liabilities	**683.5**	**646.4**	**684.1**

CASH FLOW STATEMENT
CONSOLIDATED

	Q2		H1		Year
€ million	**2011**	**2010**	**2011**	**2010**	**2010**
Net profit for the period	**(3.8)**	**3.9**	**(3.5)**	**4.9**	**24.6**
Depreciation and amortisation	6.2	4.7	12.2	9.3	19.0
Changes in provisions and other adjustments	0.7	(0.1)	(0.2)	(1.0)	(4.5)
Financials, net	1.8	1.4	3.5	3.5	6.2
Corporation tax	(0.2)	2.3	0.9	3.5	10.8
Financials paid, net	(1.7)	(1.6)	(3.5)	(3.6)	(7.1)
Corporation tax paid	(3.1)	(0.9)	(5.6)	(3.0)	(6.7)
Cash flow before change in working capital	**(0.1)**	**9.7**	**3.8**	**13.6**	**42.3**
Change in inventories	13.4	6.8	13.5	6.9	(3.9)
Change in receivables	1.5	(10.6)	(6.0)	(13.2)	(16.7)
Change in non-interest-bearing liabilities	5.4	1.8	3.3	11.1	24.9
Cash flow from operating activities	**20.2**	**7.7**	**14.6**	**18.4**	**46.6**
Investments in intangible assets	(0.6)	(5.1)	(1.5)	(10.0)	(15.7)
Investments in property, plant and equipment	(1.4)	(2.3)	(2.8)	(6.1)	(8.1)
Investments in other investments	0.0	0.0	0.0	0.0	0.3
Acquisition of activity	0.0	0.0	0.0	0.0	(13.0)
Sale of property, plant and equipment	0.7	0.1	0.7	0.1	1.7
Divestment of activity	0.0	0.0	0.0	2.7	2.7
Cash flow from investing activities	**(1.3)**	**(7.3)**	**(3.6)**	**(13.3)**	**(32.1)**
Raising of non-current interest-bearing liabilities	0.0	0.0	0.0	0.0	15.3
Repayment of non-current interest-bearing activities	(2.9)	(3.2)	(5.3)	(6.5)	(24.7)
Dividends distributed	(10.5)	(4.5)	(10.5)	(4.5)	(4.5)
Purchase and sale of treasury shares	0.0	0.0	0.0	0.0	0.1
Cash flow from financing activities	**(13.4)**	**(7.7)**	**(15.8)**	**(11.0)**	**(13.8)**
Total cash flow	**5.5**	**(7.3)**	**(4.8)**	**(5.9)**	**0.7)**
Cash and cash equivalents at beginning of period	21.8	32.9	32.0	31.5	31.5
Currency translation adjustments	(0.2)	(0.1)	(0.1)	(0.1)	(0.2)
Cash and cash equivalents at end of period	**27.1**	**25.5**	**27.1**	**25.5**	**32.0**
Cash and cash equivalents at end of period:					
Securities	30.6	0.0	30.6	0.0	30.9
Cash and cash equivalents	42.3	48.5	42.3	48.5	28.7
Current interest-bearing liabilities	(45.8)	(23.0)	(45.8)	(23.0)	(27.6)
Cash and cash equivalents at end of period	**27.1**	**25.5**	**27.1**	**25.5**	**32.0**

STATEMENT OF CHANGES IN EQUITY
Consolidated

€ million	Share capital	Reserves for hedging instruments	Reserves for foreign currency adjustment	Retained earnings	Proposed dividends	Total
2011						
Equity as at 1 January	**106.3**	**(7.3)**	**0.9**	**174.5**	**10.5**	**284.9**
Currency translation adjustment at beginning of period	(0.1)					(0.1)
Currency translation adjustment of foreign subsidiaries			(0.6)			(0.6)
Value adjustments of hedging instruments before tax		2.0				2.0
Tax on value adjustments		(0.4)				(0.4)
Net income recognised directly in equity	(0.1)	1.6	(0.6)	0.0	0.0	0.9
Net profit for the period				(3.5)		(3.5)
Comprehensive income	**(0.1)**	**1.6**	**(0.6)**	**(3.5)**	**0.0**	**(2.6)**
Distribution of dividend					(10.5)	(10.5)
Other changes	**0.0**	**0.0**	**0.0**	**0.0**	**(10.5)**	**(10.5)**
Equity as at 30 June	**106.2**	**(5.7)**	**0.3**	**171.0**	**0.0**	**271.8**
2010						
Equity as at 1 January	**106.4**	**(6.7)**	**(7.4)**	**161.9**	**4.5**	**258.7**
Adjustments relating to previous years [1]				(1.4)		(1.4)
Adjusted equity as at 1 January	**106.4**	**(6.7)**	**(7.4)**	**160.5**	**4.5**	**257.3**
Currency translation adjustment at beginning of period	(0.1)			(0.2)		(0.3)
Currency translation adjustment of foreign subsidiaries			4.6			4.6
Value adjustment of hedging instruments before tax		(5.5)				(5.5)
Tax on value adjustments		1.4				1.4
Net income recognised directly in equity	(0.1)	(4.1)	4.6	(0.2)	0.0	0.2
Net profit for the period				4.9		4.9
Comprehensive income	**(0.1)**	**(4.1)**	**4.6**	**4.7**	**0.0**	**5.1**
Distribution of dividend					(4.5)	(4.5)
Other changes	**0.0**	**0.0**	**0.0**	**0.0**	**(4.5)**	**(4.5)**
Equity as at 30 June	**106.3**	**(10.8)**	**(2.8)**	**165.2**	**0.0**	**257.9**

[1] Changes have been made to the figures of comparison due to errors resulting from non-compliance with the group's internal accounting policies in Solar Deutschland GmbH.

NOTES

SEGMENT INFORMATION

€ million	Solar A/S parent company [1]	Solar Sverige AB	Solar Norge AS	Solar Nederland B.V.[5]	Solar Deutschland GmbH[2]	Solar Polska Sp. z o.o.	P/F Solar Føroyar	Aurora Group	Continuing operations Total	Discontinued operations Solar Suomi Oy[3]	Elimi-nations[4]	Solar Group
H1 2011												
Revenue	179.3	154.0	113.2	168.3	63.4	16.6	1.7	25.4	721.9	-	(3.6)	718.3
EBITA	8.4	5.3	(2.7)	0.5	(4.5)	0.0	0.1	0.2	7.3	(0.2)		7.1
EBT	7.6	2.4	(3.9)	(2.6)	(4.7)	(0.3)	0.1	(1.1)	(2.5)	(0.1)		(2.6)
Non-current assets	297.8	47.6	25.2	59.0	20.5	4.8	0.6	3.2	458.7	-	(223.1)	235.6
Equity	323.3	37.9	35.5	48.2	36.2	9.3	1.7	2.2	494.3	0.6	(223.1)	271.8
Balance sheet total	485.0	127.4	98.6	156.8	55.1	17.6	2.5	21.2	964.2	0.7	(281.4)	683.5
Organic growth %	12.9	3.0	5.1	3.4	(9.1)	28.8	(4.6)	(6.6)	4.6	N/A		4.6
EBITA %	4.7	3.4	(2.4)	0.3	(7.1)	0.0	5.9	0.8	1.0	N/A		1.0
H1 2010												
Revenue	159.2	136.8	105.4	162.8	69.7	11.8	1.8	23.1	670.6	0.4	(3.5)	667.5
EBITA	7.7	4.9	3.5	1.8	(2.7)	(0.4)	0.2	0.4	15.4	0.0		15.4
EBT	6.5	2.9	3.3	(0.8)	(2.6)	(0.5)	0.2	(0.6)	8.4	0.0		8.4
Non-current assets	297.7	50.2	26.2	64.6	21.3	4.7	0.7	2.5	467.9	0.0	(226.4)	241.5
Equity	306.3	33.6	39.6	49.6	40.0	8.4	1.8	4.5	483.8	0.5	(226.4)	257.9
Balance sheet total	467.7	126.8	85.1	150.1	58.6	14.3	2.5	22.0	927.1	2.5	(283.2)	646.4
Organic growth %	(14.6)	(1.9)	(8.6)	(15.6)	(2.3)	4.7	(9.1)	(5.0)	(9.9)	N/A		(9.9)
EBITA %	4.8	3.6	3.3	1.1	(3.9)	(3.4)	11.1	1.7	2.3	0.0		2.3

[1] Under the cost method.

[2] Changes have been made to the figures of comparison due to errors resulting from non-compliance with the group's internal accounting policies in Solar Deutschland GmbH.

[3] The business activity in Solar Suomi Oy was divested on 18 January 2010 to Ahlsell Oy.

[4] Internal revenue amounted to € 3,6m (€ 3,5m in 2010). Adjustments resulting from the translation from cost method to equity method are included under eliminations.

[5] Solar 8000 roll-out costs impacted EBITA by € 0.5m in Q1 2011 and € 1.6m in Q2 2011.

NOTES

SHARE OPTION PROGRAMMES

	Executive Board	Management employees	Total
Number of shares 2011			
Outstanding at beginning of 2011	17,688	103,674	121,362
Transferred	9,100	(9,100)	0
Granted in 2011	5,076	14,350	19,426
Expired	0	(8,524)	(8.524)
Outstanding as at 30 June 2011	**31,864**	**100,400**	**132,264**
No. of shares 2010			
Outstanding at beginning of 2010	15,681	97,118	112,799
Granted in 2010	4,054	22,034	26,088
Exercised	0	(3,067)	(3,067)
Expired, employee resigned	0	(12,411)	(12,411)
Expired, time limit exceeded	(2,047)	0	(2,047)
Outstanding at end of 2010	**17,688**	**103,674**	**121,362**

€ million	**30 June 2011**	**31 Dec. 2010**
Market value estimated using the Black-Scholes model	1.7	1.7
Conditions applying to the statement of market value using the Black-Scholes model:		
Expected volatility	**42%**	**42%**
Expected dividend in proportion to market value	**3%**	**3%**
Risk-free interest rate	**4%**	**4%**

Specification of share option programmes as at 30 June 2011		**Year of granting**		
	2008	**2009**	**2010**	**2011**
Executive Board				
Granted	3,535	10,099	4,054	5,076
Transferred on enlargement of the Executive Board	2,969	4,359	1,772	0
Total	**6,504**	**14,458**	**5,826**	**5,076**
Exercise price	**424.33**	**148.53**	**370.04**	**443.26**
Management employees				
Granted	35,592	64,213	22,034	14,350
Transferred on enlargement of the Executive Board	(2,969)	(4,359)	(1,772)	0
Exercised on resignation of management employees	0	(3,067)	0	0
Expired on resignation of management employees	(7,571)	(12,498)	(3,553)	0
Total	**25,052**	**44,289**	**16,709**	**14,350**
Exercise price	**424.33**	**148.53**	**370.04**	**443.26**

Each share option entitles the holder to purchase one Solar B share.

The CEO's share option programmes for the years of granting 2008-2010 may be exercised for 6 weeks after publication of the annual report in 2011, 2012, 2013/2014, respectively. The CEO's share option programme for 2011 may be exercised for 10 banking days after the publication of the annual report in 2014/2015.

The share option programmes for other employees for the years of granting 2008-2011 may be exercised for 10 banking days following the publication of the annual report in 2011/2012, 2012/2013, 2013/2014 and 2014/2015, respectively.

Both programmes make it possible to make payment as a cash settlement.

QUARTERLY FIGURES [1]
CONSOLIDATED

	Q1		Q2		Q3		Q4	
€ million	**2011**	**2010**	**2011**	**2010**	**2010**	**2009**	**2010**	**2009**
Financial and operating data of income statement								
Revenue	359.8	329.3	358.5	338.2	336.3	333.7	397.7	379.9
Earnings before interest, tax and amortisation (EBITA)	6.1	6.0	1.0	9.4	16.5	9.6	17.1	11.5
Earnings before special items	3.1	4.3	(2.2)	7.6	14.7	7.8	15.0	9.7
Special items	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(7.0)
Earnings before interest and tax (EBIT)	3.1	4.3	(2.2)	7.6	14.7	7.8	15.0	2.7
Financials, net	(1.7)	(2.1)	(1.8)	(1.4)	(1.3)	(1.3)	(1.4)	(1.4)
Earnings before tax (EBT)	1.4	2.2	(4.0)	6.2	13.4	6.5	13.6	1.3
Net profit for the period	0.3	1.0	(3.8)	3.9	10.4	4.5	9.3	0.2
Earnings per share in € per share outstanding (EPS)	0.04	0.13	(0.48)	0.50	1.33	0.67	1.18	0.03
Earnings per share in € per share outstanding excl. amortisation	0.42	0.34	(0.08)	0.73	1.55	0.94	1.45	0.28
Financial and operating data of balance sheet								
Total assets	696.6	639.2	683.5	646.4	668.7	600.7	684.1	620.5
Net investments in intangible assets	0.9	4.9	0.6	5.1	4.1	3.1	1.6	5.2
Net investments in property, plant and equipment	1.4	3.8	0.7	2.2	0.0	1.2	0.4	1.7
Share capital outstanding	105.3	105.5	105.3	105.4	105.4	90.2	105.4	105.5
Equity	287.6	260.0	271.8	257.9	269.3	208.6	284.9	257.3
Interest-bearing liabilities	171.2	150.9	170.3	153.9	151.0	168.8	158.1	150.7
Interest-bearing liabilities, net	106.6	100.5	97.4	105.4	104.3	167.3	98.5	102.8
Financial and operating data of cash flow								
Cash flow from operating activities	(5.6)	10.7	20.2	7.7	16.4	32.0	11.8	24.3
Cash flow from investing activities	(2.3)	(6.0)	(1.3)	(7.3)	(13.5)	(4.3)	(5.3)	(6.9)
Cash flow from financing activities	(2.4)	(3.3)	(13.4)	(7.7)	(3.1)	(3.0)	0.3	44.8
Financial ratios (% unless otherwise stated)								
Revenue growth	9.3	(11.8)	6.0	(1.9)	0.8	(4.5)	4.7	(7.9)
Organic growth [2]	5.6	(14.3)	3.7	(5.2)	(1.8)	(14.1)	2.2	(10.1)
EBITDA margin	2.5	2.7	1.1	3.6	5.7	3.7	5.1	3.8
EBITA margin	1.7	1.8	0.3	2.8	4.9	2.9	4.3	3.0
EBIT margin	0.9	1.3	(0.6)	2.2	4.4	2.3	3.8	0.7
Operating margin	0.1	0.3	(1.1)	1.2	3.1	1.3	2.3	0.1
Net working capital (NWC)/revenue (LTM) [3]	16.1	15.3	15.0	15.3	15.9	15.4	15.9	15.0
Gearing (net interest(bearing liabilities/EBITDA (LTM)), no. of times	1.8	2.2	1.9	2.2	1.9	3.2	1.6	2.1
Return on equity (ROE)	0.4	1.5	(5.4)	6.0	15.8	8.8	13.4	0.3
Return on equity (ROE) excl. amortisation	4.6	4.2	(0.9)	8.8	18.5	12.3	16.5	3.4
Return on invested capital (ROIC) [4]	0.6	2.0	(2.1)	4.9	11.4	5.4	9.9	1.5
Return on invested capital (ROIC) excl. amortisation [4]	4.3	4.3	0.6	6.8	13.2	7.3	12.0	7.6
Adjusted market capitalisation/operating profit or loss (EV/EBITA)	23.6	21.1	121.8	13.0	7.3	10.8	7.9	9.4
Equity ratio	41.3	40.7	39.8	39.9	40.3	34.7	41.6	41.5
Intrinsic value in € per share outstanding	36.6	33.1	34.6	32.8	34.3	31.1	36.3	32.8
Share price in €	59.7	51.9	49.8	49.1	48.0	36.9	56.6	46.0
Share price/intrinsic value	1.63	1.57	1.44	1.50	1.40	1.19	1.56	1.40
Share price in DKK	445	387	371	366	357	274	422	343
Employees								
Average number of employees (FTE)	3,027	2,973	3,052	2,917	2,930	3,109	3,000	3,055

[1] Changes have been made in the figures of comparison due to errors resulting from non-compliance with the group's internal accounting policies in Solar Deutschland GmbH.
[2] No adjustments have been made for the acquisition of Otra Danmark operations.
[3] Calculated as inventories and trade receivables excl. trade payables at the end of the period in proportion to revenue for the last 12 months.
[4] Calculated on the basis of operating profit before special items.

ACCOUNTING POLICIES

The quarterly report for Solar A/S has been prepared in accordance with IAS 34 ”Presentation of interim reports” as approved by the EU and additional Danish disclosure requirements for quarterly reports of listed companies.

Accounting policies remain unchanged from Annual Report 2010, which contains a full description of these on pages 44-48.

Key items in the accounts are based on annual contracts etc. A prudent assessment of the current year’s activities was undertaken during the preparation of the quarterly report.

In the quarterly report, corporation tax has been calculated on the basis of pre-tax profits at the expected average tax rate. No assessment of taxable income for the period has been made.

Changes have been made to the comparative figures due to errors resulting from non-compliance with the group’s internal accounting policies in Solar Deutschland GmbH, cf. announcement no. 18 2010.

No audit or review of the quarterly report has been conducted.

MANAGEMENT'S STATEMENT

The group's supervisory and executive boards have today discussed and approved the Q2 2011 quarterly report of Solar A/S.

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

In our opinion, the quarterly report gives a fair presentation of the group and parent company's assets, equity and liabilities and financial position as at 30 June 2011 as well as the results of the group and parent company's activities and cash flow for Q2 2011.

Further, in our opinion, the management's review gives a true and fair statement of the development of the group and parent company's activities and financial situation, net profit for the period and of the group's financial position and describes the most significant risks and uncertainties pertaining to the group.

Kolding, 17 August 2011

Executive Board

Flemming H. Tomdrup
Group CEO

Michael H. Jeppesen
Group CFO

Supervisory Board

Jens Borum
Chairman

Peter Falkenham
Vice Chairman

Lars Lange Andersen

Kent Arentoft

Niels Borum

Remy Cramer

Bent H. Frisk

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