

Release no. 11 – 2011
Report on the first half of 2011
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

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

Page 1/9

24 August 2011

Report on the first half of 2011
for Rockwool International A/S

Today the Board of Directors of Rockwool International A/S has approved the following report on the first half of 2011.

Highlights

- Sales in the first half-year at actual exchange rates increased by 16% compared to the same period in 2010.
- EBIT in the first half of 2011 amounts to DKK 294 million which is a decrease of DKK 83 million compared to the same period in 2010.
- The Group expects net sales at current exchange rates to increase by 15% for the full year 2011 compared to last year.
- The Group confirms its expectations for the year of a result after minority interests of DKK 550 million.
- Capital expenditure excluding acquisitions is still expected to be DKK 1,100 million.

Further information: Gilles Maria, Chief Financial Officer

Release no. 11 – 2011
Report on the first half of 2011
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

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

Page 2/9

Main figures / key figures for the Group

| | 2 nd qtr. 2011 | 2 nd qtr. 2010 | Acc. 2 nd qtr. 2011 | Acc. 2 nd qtr. 2010 | Full year 2010 |
|--|------------------------------|------------------------------|--------------------------------------|--------------------------------------|-------------------|
| | Unaudited | | | | Audited |
| Income statement items in DKK million: | | | | | |
| Net sales | 3,368 | 2,925 | 6,301 | 5,445 | 11,732 |
| EBITDA | 431 | 483 | 778 | 860 | 1,782 |
| Depreciation, amortisation and write-downs | 241 | 252 | 484 | 483 | 989 |
| EBIT | 190 | 231 | 294 | 377 | 793 |
| Financial items | -14 | -5 | -30 | -18 | -17 |
| Profit before tax | 186 | 229 | 277 | 364 | 812 |
| Profit for the period after minority interests | 123 | 128 | 191 | 206 | 512 |
| Balance sheet items in DKK million: | | | | | |
| Non-current assets | | | 9,018 | 8,497 | 9,098 |
| Current assets | | | 3,503 | 3,293 | 3,133 |
| Total assets | | | 12,521 | 11,790 | 12,231 |
| Equity | | | 8,329 | 8,477 | 8,791 |
| Non-current liabilities | | | 1,444 | 1,249 | 1,179 |
| Current liabilities | | | 2,748 | 2,064 | 2,261 |
| Other items in DKK million: | | | | | |
| Cash flow (from operating activities) | 308 | 242 | 283 | 279 | 1,285 |
| Investments and acquisitions | 259 | 366 | 539 | 452 | 1,412 |
| Net interest-bearing debt | | | 960 | 312 | 426 |
| Number of employees: | | | | | |
| Number of employees at end of period | | | 9,033 | 7,747 | 8,808 |
| Ratios: | | | | | |
| Profit ratio (%) | | | 5 | 7 | 7 |
| Profit per share of DKK 10 | | | 9 | 9 | 24 |
| Profit per share of DKK 10, diluted | | | 9 | 9 | 24 |
| Book value per share of DKK 10 | | | 378 | 371 | 390 |
| Equity ratio (%) | | | 67 | 69 | 72 |
| Financial gearing | | | 0.11 | 0.04 | 0.05 |
| Main figures in EUR million: | | | | | |
| Net sales | 452 | 393 | 845 | 732 | 1,575 |
| Depreciation, amortisation and write-downs | 32 | 34 | 65 | 65 | 133 |
| EBIT | 25 | 31 | 39 | 51 | 106 |
| Profit before tax | 25 | 31 | 37 | 49 | 109 |
| Profit for the period after minority interests | 17 | 17 | 26 | 28 | 69 |
| Total assets | | | 1,678 | 1,583 | 1,642 |
| Equity | | | 1,143 | 1,138 | 1,180 |
| Cash flow (from operating activities) | 41 | 33 | 38 | 37 | 172 |
| Investments and acquisitions | 35 | 49 | 72 | 61 | 190 |
| Exchange rate | 7.46 | 7.44 | 7.46 | 7.44 | 7.45 |

The ratios have been calculated in accordance with recommendations issued by the Danish Society of Financial Analysts (2010 edition).

Release no. 11 – 2011
Report on the first half of 2011
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

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

Page 3/9

Management report for the period from 1 January to 30 June 2011Income statement

The Rockwool Group generated sales in the first half of 2011 of DKK 6,301 million corresponding to an increase of 16% compared to same period last year and an increase of 11% excluding the effect of acquisitions.

External sales in the Insulation Segment increased by 18% to DKK 5,173 million and Systems Segment's external sales increased by 7% to DKK 1,128 million.

The second quarter of 2011 has confirmed the recovery experienced in the Group's main European insulation markets still driven by Germany and France. Poland has also shown solid signs of recovery in the period. In Russia, we have recorded a solid double digit growth - mostly supplied from imports. Sales in North America are developing nicely - at an even higher pace than last year - well supported by progress within the DIY (Do It Yourself) channel. As expected, sales development in Asia is very positive due to the implementation of more stringent fire regulation for residential constructions in China. The Group is importing to satisfy this demand.

As expected, the incoming inflation was very high, given the relatively low level of coke prices during the first half 2010. Over the last months, some decreases for the main raw materials have been observed.

Sales prices have increased gradually during second quarter, but have so far only compensated for about 40% of the incoming inflation.

EBITDA for the Group reached DKK 778 million resulting in an EBITDA ratio of 12% for the first half of 2011.

EBIT was DKK 294 million – a decrease of DKK 83 million compared to same period last year. EBIT in the Insulation Segment decreased by 29% compared to same period last year and reached DKK 159 million. Systems Segment generated an EBIT of DKK 148 million which is an increase of 7% compared to first half 2010.

Net financial costs ended up at DKK 30 million which is DKK 12 million higher than last year.

Profit after minority interests for the first half of 2011 amounted to DKK 191 million which is DKK 15 million lower than last year.

Release no. 11 – 2011
Report on the first half of 2011
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

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

Page 4/9

Cash flow

Cash flow from operations for the first half of 2011 is DKK 283 million which is slightly above last year.

Working capital development has had a negative effect on cash flow of DKK 362 million in first half of 2011 which is primarily due to seasonal stocks and debtors.

Capital expenditure in the first half year was DKK 539 million which is an increase of DKK 87 million compared to the same period of 2010. DKK 294 million were spent for supporting capacity expansion, mainly in Russia.

Balance sheet

Total assets end of the first half of 2011 amounted to DKK 12,521 million. The equity ratio at the end of the period was 67%.

The full effect of the purchase of the shares in the Russian activities from the Danish state-owned investment fund IØ is included in the equity end of second quarter 2011.

Expectations for 2011

The positive sales development observed during the first half-year is seen to continue in the coming quarters with

- a healthy growth in Russia and Asia
- a continuation of the market share gains in North America
- a satisfactory trend in Europe also supported by government measures to improve energy efficiency in buildings.

The Group expects the positive development of the Systems Segment to continue.

The Group expects net sales at current exchange rates to increase by 15% in 2011 compared to 2010.

The Group expects the price on raw materials to decrease slightly in the coming quarters.

The Group expects sales prices to follow an upward trend in the coming quarters helping the margin to improve. The Group therefore confirms its expectations of a result after minority interests of DKK 550 million.

Release no. 11 – 2011
Report on the first half of 2011
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

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

Page 5/9

Capital expenditure excluding acquisitions is still expected to be DKK 1,100 million of which expenditure in 2011 for the new factories in India and the Volga region in Russia is DKK 430 million.

Disclaimer

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.

Change regarding board members duties

Mr. Bjørn Høi Jensen has for personal reasons decided to discontinue his function as Second Deputy Chairman of the Board of Directors of Rockwool International A/S and member of the Board's Compensation Committee. He will remain a member of the Board of Directors and the Audit Committee. The Board will for the time being have one Deputy Chairman, Mr. Steen Riisgaard. Mr. Carsten Bjerg will replace Mr. Bjørn Høi Jensen in the Board's Compensation Committee.

Release no. 11 – 2011
Report on the first half of 2011
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

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

Page 6/9

Management statement

The Board of Directors and Group Management have today approved this interim report for first half year of 2011.

This interim report, which has not been audited or reviewed by the Group's auditor, 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 2010 – are appropriate and that the accounting estimates made are reasonable. The implementation of new and amended IFRS's have only resulted in additional disclosures. In our opinion this interim report presents a true and fair view of the Group's assets, liabilities and financial position on 30 June 2011 and of earnings and cash flows during the period.

Furthermore we believe that the management report gives a true and fair statement of the development of the Group's activities and financial situation, the result of the period and of the Group's financial position as a whole as well as a description of the most important risks and uncertainties which the Group is facing.

24 August 2011

Group Management

Eelco van Heel

Gilles Maria

Board of Directors

Tom Kähler

Steen Riisgaard

Heinz-Jürgen Bertram

Carsten Bjerg

Claus Bugge Garn

Jan W. Hillege

Bjørn Høi Jensen

Thomas Kähler

Dorthe Lybye

Connie Enghus Theisen

Release no. 11 – 2011
Report on the first half of 2011
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

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

Page 7/9

Income statement

| DKK million | 2 nd qtr. | 2 nd qtr. | Acc. | Acc. | Full year |
|--|----------------------|----------------------|----------------------|----------------------|---------------|
| | 2011 | 2010 | 2 nd qtr. | 2 nd qtr. | |
| | Unaudited | | | | Audited |
| Net sales | 3,368 | 2,925 | 6,301 | 5,445 | 11,732 |
| Operating income | 3,413 | 2,965 | 6,382 | 5,528 | 11,907 |
| Operating costs | 3,223 | 2,734 | 6,088 | 5,151 | 11,114 |
| EBITDA | 431 | 483 | 778 | 860 | 1,782 |
| Operating profit before financial items (EBIT) | 190 | 231 | 294 | 377 | 793 |
| Income from investments associated companies after tax | 10 | 3 | 13 | 5 | 36 |
| Financial items | -14 | -5 | -30 | -18 | -17 |
| Profit before tax | 186 | 229 | 277 | 364 | 812 |
| Tax on profit for the period | 63 | 85 | 94 | 135 | 275 |
| Profit for the period | 123 | 144 | 183 | 229 | 537 |
| Minority interests | 0 | 16 | -8 | 23 | 25 |
| Profit for the period after minority interests | 123 | 128 | 191 | 206 | 512 |
| Profit per share of DKK 10 | | | 9 | 9 | 24 |
| Profit per share of DKK 10, diluted | | | 9 | 9 | 24 |

Statement of recognised income and expenses

| | | | | | |
|---|------------|------------|------------|------------|------------|
| Profit for the period | 123 | 144 | 183 | 229 | 537 |
| Exchange rate adjustments of foreign subsidiaries | -32 | -18 | -76 | 215 | 249 |
| Hedging instruments, value adjustments | 2 | -6 | 9 | -9 | -3 |
| Tax on hedging instruments, value adjustments | -1 | 2 | -3 | 3 | 0 |
| Total income | 92 | 122 | 113 | 438 | 783 |
| Minority interests | 0 | 21 | -7 | 50 | 45 |
| Total income for the period after minority interests | 92 | 101 | 120 | 388 | 738 |

Segment reporting

| Acc. 2nd qtr. | Unaudited | | | | | | | |
|--------------------|--------------------|-------|-----------------|-------|--|------|--------------------|-------|
| | Insulation segment | | Systems segment | | Group eliminations and holding companies | | The Rockwool Group | |
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| DKK million | | | | | | | | |
| External net sales | 5,173 | 4,389 | 1,128 | 1,056 | 0 | 0 | 6,301 | 5,445 |
| Internal net sales | 636 | 562 | 0 | 5 | -636 | -567 | 0 | 0 |
| Total net sales | 5,809 | 4,951 | 1,128 | 1,061 | -636 | -567 | 6,301 | 5,445 |
| EBIT | 159 | 224 | 148 | 138 | -13 | 15 | 294 | 377 |

Release no. 11 – 2011
Report on the first half of 2011
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

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

Page 8/9

Cash flow statement

| DKK million | 2 nd qtr. | 2 nd qtr. | Acc. | Acc. | Full year |
|---|----------------------|----------------------|----------------------|----------------------|---------------|
| | 2011 | 2010 | 2 nd qtr. | 2 nd qtr. | |
| | Unaudited | | | | Audited |
| Operating profit for the period | 190 | 231 | 294 | 377 | 793 |
| Adjustments for depreciation, amortisation and write-downs | 241 | 252 | 484 | 483 | 989 |
| Other adjustments | -9 | -10 | 9 | 5 | -32 |
| Change in net working capital | -23 | -60 | -362 | -340 | -84 |
| Cash flow from operations before financial items and tax | 399 | 413 | 425 | 525 | 1,666 |
| Cash flow from operating activities | 308 | 242 | 283 | 279 | 1,285 |
| Cash flow from investing activities | -259 | -366 | -539 | -452 | -1,412 |
| Cash flow from operating and investing activities (free cash flow) | 49 | -124 | -256 | -173 | -127 |
| Cash flow from financing activities | -361 | -171 | -425 | -247 | -319 |
| Change in cash available | -312 | -295 | -681 | -420 | -446 |
| Cash available – beginning of period | -226 | 466 | 132 | 588 | 588 |
| Exchange rate adjustments | 11 | 2 | 22 | 5 | -10 |
| Cash available – end of period | -527 | 173 | -527 | 173 | 132 |
| Unutilised, committed credit facilities | | | 3,133 | 3,283 | 3,659 |

Individual items in the cash flow statement cannot be directly deduced from the consolidated balance sheet, as balance sheet items of the foreign companies have been converted at the average exchange rates.

Balance sheet

| DKK million | 2 nd qtr. | 2 nd qtr. | Full year |
|-------------------------------------|----------------------|----------------------|---------------|
| | 2011 | 2010 | |
| | Unaudited | | Audited |
| Assets | | | |
| Intangible fixed assets | 470 | 258 | 451 |
| Tangible fixed assets | 7,977 | 7,701 | 8,027 |
| Other financial fixed assets | 318 | 231 | 338 |
| Deferred tax assets | 253 | 307 | 282 |
| Total non-current assets | 9,018 | 8,497 | 9,098 |
| Inventories | 1,183 | 926 | 1,007 |
| Receivables | 2,004 | 1,900 | 1,779 |
| Cash | 316 | 467 | 347 |
| Total current assets | 3,503 | 3,293 | 3,133 |
| Total assets | 12,521 | 11,790 | 12,231 |
| Equity and liabilities | | | |
| Share capital | 220 | 220 | 220 |
| Hedging | -6 | -15 | -12 |
| Foreign currency translation | -246 | -210 | -169 |
| Retained earnings | 8,340 | 8,161 | 8,540 |
| Minority interests | 21 | 321 | 212 |
| Total equity | 8,329 | 8,477 | 8,791 |
| Non-current liabilities | 1,444 | 1,249 | 1,179 |
| Current liabilities | 2,748 | 2,064 | 2,261 |
| Total liabilities | 4,192 | 3,313 | 3,440 |
| Total liabilities and equity | 12,521 | 11,790 | 12,231 |

Release no. 11 – 2011
Report on the first half of 2011
To NASDAQ OMX Nordic Exchange
Copenhagen A/S

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

Page 9/9

Statement of equity

| DKK million | Unaudited | | | | | |
|---|---------------|------------|------------------------------|-------------------|--------------------|--------------|
| | Share capital | Hedging | Foreign currency translation | Retained earnings | Minority interests | Total |
| Equity 1/1 2011 | 220 | -12 | -169 | 8,540 | 212 | 8,791 |
| Profit for the period | | | | 191 | -8 | 183 |
| Exchange rate adjustments of foreign subsidiaries | | | -77 | | 1 | -76 |
| Hedging instruments, value adjustments | | 9 | | | | 9 |
| Tax on hedging instruments, value adjustments | | -3 | | | | -3 |
| Total income | | 6 | -77 | 191 | -7 | 113 |
| Sale and purchase of own shares | | | | -76 | | -76 |
| Expensed value of options issued | | | | 8 | | 8 |
| Dividend paid to the shareholders | | | | -207 | | -207 |
| Addition/disposal of minority interests | | | | -116 | -184 | -300 |
| Equity 2nd qtr. 2011 | 220 | -6 | -246 | 8,340 | 21 | 8,329 |
| Equity 1/1 2010 | 220 | -9 | -398 | 8,146 | 269 | 8,228 |
| Profit for the period | | | | 206 | 23 | 229 |
| Exchange rate adjustments of foreign subsidiaries | | | 188 | | 27 | 215 |
| Hedging instruments, value adjustments | | -9 | | | | -9 |
| Tax on hedging instruments, value adjustments | | 3 | | | | 3 |
| Total income | | -6 | 188 | 206 | 50 | 438 |
| Sale and purchase of own shares | | | | 2 | | 2 |
| Expensed value of options issued | | | | 14 | | 14 |
| Dividend paid to the shareholders | | | | -207 | | -207 |
| Addition/disposal of minority interests | | | | | 2 | 2 |
| Equity 2nd qtr. 2010 | 220 | -15 | -210 | 8,161 | 321 | 8,477 |