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Date:
27 May 2008

Interim financial report - Q1 2008

- First-quarter revenue was DKK 416.2 million (2007: DKK 416.1 million).
- First-quarter EBITDA was DKK 68.8 million (2007: DKK 65.2 million).
- First-quarter profit before tax was DKK 33.9 million (2007: DKK 31.4 million).
- Equity at 31 March 2008 was DKK 900.4 million. Equity was affected by buyback of treasury shares to a total value of DKK 99.7 million during the period.
- Net interest-bearing debt at 31 March 2008 amounted to DKK 612 million.
- The 2008 outlook for the UK construction industry worsened significantly in April and May.
- Full-year profit before tax from the UK activities is expected to be in the region of DKK 0-10 million compared with DKK 67.9 million for 2007.
- Due to the projected decline in the level of construction activity in the UK, the full-year 2008 outlook concerning profit before tax is lowered to the DKK 140–160 million level compared with the previously announced DKK 180–200 million level.

For additional information please contact:
Hans Gormsen, CEO, or Martin Busk Andersen, CFO, on telephone +45 35 27 02 00.

This is a translation of the company's announcement in Danish. In case of inconsistency between the Danish text and this English translation, the Danish text shall prevail.

FINANCIAL HIGHLIGHTS - H+H GROUP

(DKKm)	Q1 2008	Q1 2007	Full year 2007
Income statement			
Revenue	416.2	416.1	1,850.2
EBITDA	68.8	65.2	347.1
EBITA	39.3	35.5	230.5
Operating profit (EBIT)	39.3	35.5	222.4
Profit before tax	33.9	31.4	205.1
Balance sheet (DKKm)			
Non-current assets	1,477.8	1,241.8	1,361.7
Addition of intangible assets and property, plant and equipment	162.9	37.0	263.0
Current assets	475.8	454.6	422.0
Total assets	1,953.6	1,696.4	1,783.7
Equity	900.4	876.8	990.3
Net interest-bearing debt	612.0	422.1	380.7
Other liabilities	441.2	397.5	412.7
Total equity and liabilities	1,953.6	1,696.4	1,783.7
Financial ratios			
Earnings per share (EPS)	22.0	19.6	137.4
Diluted earnings per share (EPS-D)	22.0	19.5	137.0
Return on equity (% p.a.)	10.2%	10.7%	16.9%
Share price, end of period	1,296	1,856	1,362
Book value per share, end of period	776	756	854
Financial objectives			
Sales growth (organic)	0.0%	29.3%	11.3%
Operating margin (EBITA)	9.5%	8.5%	12.5%
ROIC, (% p.a.)	10.0%	10.2%	16.1%
Solvency ratio	46.1%	51.7%	55.5%

With respect to recognition and measurement, the interim financial report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and is expected to apply to the presentation of the full-year financial statements for 2008. The interim financial report is unaudited.

MANAGEMENT'S REVIEW

The first quarter of 2008 benefited from a very positive development in the Eastern European segment and a negative development in the other segments.

First-quarter profit before tax was DKK 33.9 million, up DKK 2.5 million on the same period last year.

Revenue
First-quarter 2008 revenue was DKK 416.2 million, in line with revenue for the first quarter of 2007.

Revenue grew significantly in the Eastern European segment, while revenue in the UK was at a considerably lower level.

As in 2007, revenue benefited from very mild weather in the first months of the year. The early Easter, with fewer working days in the first quarter of 2008 than in 2007, depressed revenue by around 3%.

Expressed in local currency, revenue was up 1.6% on the same period last year. Recognised revenue was adversely affected by the development in GBP, which was down 12.6% on average on the same period last year. Conversely, the Group benefited from the development in PLN, which was 9.7% up on the same period last year.

(Amount in DKKm)	Q1 2008	Q1 2007	Deviation
UK	128.1	159.9	(19.9%)
Germany and Denmark	113.2	105.2	7.6%
Eastern Europe	141.1	91.9	53.5%
Nordic countries	50.3	63.6	(20.9%)
Eliminations and non-allocated items	(16.5)	(4.5)	N/A
Total	416.2	416.1	0.0%

Profit before tax
The Group reported first-quarter 2008 profit before tax of DKK 33.9 million, up DKK 2.5 million on the same period last year.

The improvement in profit reflected a very positive development in the Eastern European segment, while the Group's other segments delivered pre-tax results at a lower level.

The very positive development in the Eastern European segment compared with the first quarter of 2007 was predominantly due to an improved price level in the Polish market.

(Amount in DKKm)	Q1 2008	Q1 2007	Deviation
UK	8.4	17.5	(9.1)
Germany and Denmark	8.4	14.2	(5.8)
Eastern Europe	25.4	6.7	18.7
Nordic countries	(2.7)	(2.0)	(0.7)
Eliminations and non-allocated items	(5.6)	(5.0)	(0.6)
Total	33.9	31.4	2.5

Investments
First-quarter 2008 investments totalled DKK 163 million (2007: DKK 37 million).

(Amount in DKKm)	Q1 2008	Q1 2007
UK	3.4	22.2
Germany and Denmark	32.0	3.5
Eastern Europe	126.2	8.9
Nordic countries	1.3	2.0
Eliminations and non-allocated items	0.0	0.3
Total	162.9	36.9

Investments were predominantly due to upgrading of the Gorzkowice factory in Poland and the Most factory in the Czech Republic, as well as the construction of a new factory in the St Petersburg area. The factory projects are proceeding to plan. The upgraded factories in Poland and the Czech Republic are expected to be operational in the course of the second quarter of 2008, while the St Petersburg factory is expected to be operational in the first half of 2009.

On 1 January 2008, the German subsidiary acquired a gravel pit adjoining its factories in Wittenborg for a price of DKK 29 million. Historically, the gravel pit has been a supplier of sand to the company's two factories in Wittenborn.

In connection with the large-scale upgrading and the construction of new factories binding agreements have been entered into with external suppliers on the establishment and upgrading of manufacturing facilities.

At the end of March 2008, the Group had entered into binding agreements concerning capital expenditure totalling DKK 128.6 million.

Financing
Net interest-bearing debt at 31 March 2008 totalled DKK 612 million, up DKK 231 million on 31 December 2007.

The substantial increase in net interest-bearing debt was partly due to investments in the first quarter. For each of the remaining three quarters of 2008, the average level of investments is expected to be somewhat below the level of investments for the first quarter.

Due to the high level of investment for 2008, interest-bearing debt is expected to rise considerably during the year. Overall, net interest-bearing debt at the end of the year is expected to reach a level slightly below the Group's equity.

The increase in net interest-bearing debt also reflects buybacks of treasury shares in the first quarter. The company acquired total 75,830 own B shares at a cost of DKK 100 million, predominantly as part of the share buyback programme announced on 18 January 2008.

The remainder of the acquired shares were bought back with a view to covering share options with a fixed exercise price. No share options were exercised in the first quarter.

Taxation
Income tax expense for the period under review has been partially estimated. Consolidated income tax for the first quarter of 2008 has been calculated at DKK 9.8 million, equivalent to an effective tax rate of 28.9% (2007: 28.7%).

Equity
Consolidated equity fell by DKK 89.9 million in the first quarter of 2008.

(Amount in DKKm)	2008	2007
Equity at 1 January 2008	990.3	870.4
Profit for the period	24.1	22.4
Foreign exchange adjustments, foreign companies	(10.5)	(6.4)
Buyback of treasury shares	(99.7)	(9.2)
Other adjustments	(3.8)	(0.4)
Equity at 31 March	900.4	876.8

SEGMENTS

UK

First-quarter 2008 revenue in the UK reached DKK 128.1 million, down 19.9% on the first quarter of 2007. Expressed in local currency, the reduction in revenue was 8.2%.

The volume sold in the first quarter was about 13% down on the first quarter of 2007. The reduction in the volume sold reflected a general decline in construction activity and corresponded largely to the total reduction in the volume of aircrete sold in the UK.

Selling prices matched expectations.

(Amount in DKKm)	Q1 2008	Q1 2007	Deviation
Revenue	128.1	159.9	(19.9%)
EBITDA	19.3	28.9	(9.6)
Profit before tax	8.4	17.5	(9.1)

Production has been aligned in 2008 to the lower level of activity in the market. Three of the company's factories have cut back or are planning to cut back from three-shift to two-shift operation, while the the fourth factory will continue with three shifts. The two-shift operation was organised in such a way as to ensure that the variable production costs per m^3 aircrete are maintained at largely the same level as for three-shift operation.

First-quarter profit before tax was DKK 8.4 million, down from DKK 17.5 million for the same period in 2007, primarily reflecting lower sales.

Germany-Denmark

First-quarter revenue in the German-Danish segment was DKK 113.2 million, up 7.6% on the first quarter of 2007. Adjusted for an increase in sales to consolidated companies, including primarily Poland, the German-Danish segment reported a small decline in revenue.

(Amount in DKKm)	Q1 2008	Q1 2007	Deviation
Revenue	113.2	105.2	7.6%
EBITDA	23.5	27.9	(4.4)
Profit before tax	8.4	14.2	(5.8)

A small improvement in revenue was recorded in the German market, whereas revenue in the Danish market was significantly lower than in the first quarter of 2007.

The reduction in revenue in the Danish market primarily reflected a generally lower level of activity. The volume sold was also adversely affected by intensified competition in the Danish market.

Profit before tax for the German-Danish activities was DKK 8.4 million compared with DKK 14.2 million for the same period in 2007. The decline in profit was primarily due to a switch in sales from the Danish market to other affiliated companies. Moreover, the period was adversely affected by maintenance programmes carried out at the company's German factories.

Eastern Europe

First-quarter 2008 revenue for the Eastern European segment amounted to DKK 141.1 million, up 53.5% on the first quarter of 2007. Expressed in local currency, revenue was up 44.7%.

(Amount in DKKm)	Q1 2008	Q1 2007	Deviation
Revenue	141.1	91.9	53.5%
EBITDA	34.5	14.8	19.7
Profit before tax	25.4	6.7	18.7

The increase in revenue was due to a higher price level. The volume sold was at a slightly lower level for the first quarter of 2008 than for the first quarter of 2007.

The Polish market enjoyed a very high level of activity in the first quarter. Unusually mild weather in the first months of the year contributed to a high level of activity in the construction market, as in the first quarter of 2007.

Compared with 2007, sales to the Polish market in the first quarter of 2008 were hampered by the upgrading of the company's factory in Gorzkowice. Total first-quarter 2008 production capacity in Poland was thus about 20% down on the same period in 2007. Partly as a result of very high production at the company's other four factories in Poland, sales of locally manufactured products to the Polish market were only 8% down on the same period last year.

Revenue in the Polish market also benefited from higher sales of aircrete from the company's German factories.

The selling prices achieved in the Polish market rose during the first half of 2007 from a very low level. The prices realised for the first quarter of 2008 were consequently at a somewhat higher level, on average, than in the same period in 2007. Moreover, selling prices achieved in the first quarter of 2008 averaged a higher level than the average selling prices achieved for the fourth quarter of 2007.

The company's factory in the Czech Republic was closed for most of the first quarter of 2008 due to upgrading. The volume sold in the Czech market was consequently at a low level. The factory was also closed in the first quarter of 2007.

Sales to the Ukrainian market increased considerably. However, the increase should be viewed in conjunction with a relatively low starting point. Due to high transportation costs, the contribution to consolidated profit from the positive development in sales to the Ukraine was modest.

First-quarter profit before tax was DKK 25.4 million, up DKK 18.7 million on the same period last year. The improvement was due, to a great extent, to an improved price level on the volume sold.

Nordic countries
First-quarter 2008 revenue in the Nordic segment amounted to DKK 50.3 million, down 20.9% on the first quarter of 2007.

(Amount in DKKm)	Q1 2008	Q1 2007	Deviation
Revenue	50.3	63.6	(20.9%)
EBITDA	(0.2)	0.7	(0.9)
Profit before tax	(2.7)	(2.0)	(0.7)

The fall-off in revenue was due to both Finland, Sweden and Norway.

The first-quarter result before tax was a loss of DKK 2.7 million, compared with a loss before tax of DKK 2.0 million for the corresponding period in 2007. The lower result was primarily due to lower revenue.

Eliminations and non-allocated items
Non-allocated net expenses amounted to DKK 5.6 million in the first quarter, up DKK 0.6 million, primarily reflecting elimination of intra-segment profits.

FULL-YEAR PROFIT OUTLOOK

Full-year profit before tax is expected to be at the DKK 140-160 million level compared with the latest outlook of DKK 180–200 million.

The lowering of the profit outlook reflects the development in the UK market.
The outlook for the Group's other markets remains largely unchanged compared with the loulooks in the 2007 annual report.

In Poland, the first-quarter sales volume was at a very high level, while sales so far in the second quarter have been somewhat lower. The lower sales in the Polish market in the first part of the second quarter compared with the first quarter of 2008 were mainly due to the building up of inventories among customers in the first quarter. The level of construction activity was at a constant, high level. Full-year 2008 sales for the Polish market are still expected to match sales in 2007.

Sales in the UK market were originally expected to be at a lower level than in 2007. It was expected that the decline in the volume sold would be less than 10%.

However, the expectations concerning the full-year 2008 sales volume in the UK have been reduced significantly in April and May. The UK housing market is under severe pressure due to restricted availability of mortgages and a general decline in consumer confidence. At the start of the second quarter of 2008, major housebuilders have predicted a significant fall in the number of new housing starts for the rest of the year.

It is consequently now expected that the full-year 2008 sales volume will be around 25% down on 2007.

Already initiated measures in the form of a reduction in the number of production shifts in the UK will be sufficient with the expected decline in sales.

The lower level of activity in the UK is expected to result in full-year profit before tax for the UK activities in the region of DKK 0-10 million compared with profit before tax for 2007 of DKK 67.9 million.

STATEMENT BY THE EXECUTIVE AND SUPERVISORY BOARDS

The Executive and Supervisory Boards have today considered and approved the interim financial report of H+H International A/S for the period 1 January – 31 March 2008.

The interim financial report for the first quarter of 2008 is presented in accordance with IAS 34 Interim Financial Reporting and additional Danish disclosure requirements for interim financial reports of listed companies.

In our opinion, the interim financial report gives a true and fair view of the Group's financial position at 31 March 2008 and of the results of the Group's operations and cash flows for the period 1 January - 31 March 2008. Further, in our opinion, the interim report gives a true and fair review of the development in the Group's operations and financial matters and describes the significant risks and uncertainties pertaining to the Group.

Executive Board

Hans Gormsen
CEO

Michael Witthohn
Executive Vice President

Supervisory Board

Anders C. Karlsson
Chairman

Morten Amtrup

Kresten Andersen Bergsøe

Christian Harlang

Henrik Lind

Peer Munkholt

Lars Bredo Rahbek

Lars Adam Rehof

Forward-looking statements:
The forward-looking statements in this interim financial report reflect management's current expectations for certain future events and financial results. Statements regarding the future are, of course, subject to risks and uncertainties which may result in material deviations from expectations. Factors that may cause the actual results to deviate materially from expectations include but are not limited to general economic developments and developments in the financial markets, changes in pricing for aircrete products, the market's acceptance of new products, introduction of competing products and the integration of company acquisitions.

H+H International A/S is only required to update and adjust the expectations presented when this is required under Danish law, including the Danish Securities Trading, etc., Act.

INCOME STATEMENT

(Amount in DKKm)	Group		
	Q1 2008	Q1 2007	Full year 2007
Revenue	416.2	416.1	1,850.2
EBITDA	**68.8**	**65.2**	**347.1**
Depreciation and amortisation	(29.5)	(29.7)	(116.6)
EBITA	**39.3**	**35.5**	**230.5**
Impairment losses	0.0	0.0	(8.1)
EBIT	**39.3**	**35.5**	**222.4**
Net financing costs	(5.4)	(4.1)	(17.3)
Profit before tax	**33.9**	**31.4**	**205.1**
Income tax expense	(9.8)	(9.0)	(47.6)
Profit for the period	**24.1**	**22.4**	**157.5**

BALANCE SHEET

(Amount in DKKm)	Group			
ASSETS	31 March 2008	31 December 2007	31 March 2007	31 December 2006
Non-current assets				
Intangible assets	125.1	107.9	101.9	103.1
Property, plant and equipment	1,331.9	1,233.8	1,119.5	1,120.4
Other non-current assets	20.8	20.0	20.4	24.9
Total non-current assets	**1,477.8**	**1,361.7**	**1,241.8**	**1,248.4**
Current assets				
Inventories	211.9	189.6	209.1	172.5
Receivables	237.1	220.2	239.3	211.6
Cash and cash equivalents	26.8	12.2	6.2	5.7
Total currents assets	**475.8**	**422.0**	**454.6**	**389.8**
TOTAL ASSETS	**1,953.6**	**1,783.7**	**1,696.4**	**1,638.2**
EQUITY AND LIABILITIES				
Equity				
Share capital	116.0	116.0	116.0	116.0
Retained earnings	749.6	839.5	737.6	731.2
Proposed dividend	34.8	34.8	23.2	23.2
Total equity	**900.4**	**990.3**	**876.8**	**870.4**
Liabilities				
Non-current liabilities	172.4	180.0	176.9	180.9
Current liabilities	880.7	613.4	642.7	586.9
Total liabilities	**1,053.2**	**793.4**	**819.6**	**767.8**
TOTAL EQUITY AND LIABILITIES	**1,953.6**	**1,783.7**	**1,696.4**	**1,638.2**
Net interest-bearing debt	612.0	380.7	422.1	353.1

Notes

1 Accounting policies
2 Segment information
3 Acquisitions
4 Post-balance sheet events

CASH FLOW STATEMENT

(Amount in DKKm)	Q1 2008	Q1 2007
Operating activities	30.2	(16.5)
Investing activities	(161.8)	(36.9)
Financing activities	146.0	53.9
Net increase (decrease) in cash and cash equivalents	**14.4**	**0.5**
Cash and cash equivalents at 1 January	12.2	5.7
Foreign exchange adjustments of cash and cash equivalents	0.2	0.0
Cash and cash equivalents at 31 March	**26.8**	**6.2**

STATEMENT OF CHANGES IN EQUITY

(Amount in DKKm)	Share capital	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend	Total
Equity at 1 January 2008	**116.0**	**(0.4)**	**3.2**	**836.7**	**34.8**	**990.3**
Changes in equity in 2008						
Foreign exchange adjustments, foreign companies		(10.5)				(10.5)
Share-based payment				0.4		0.4
Tax on changes in equity		(1.3)	0.9			(0.4)
Net gains recognised directly in equity			(3.8)			(3.8)
Profit for the period				24.1		24.1
Total recognised income and expense for the period	**0.0**	**(11.8)**	**(2.9)**	**24.5**	**0.0**	**9.8**
Buyback of treasury shares				(99.7)		(99.7)
Total changes in equity in 2008	**0.0**	**(11.8)**	**(2.9)**	**(75.2)**	**0,0**	**(89.9)**
Equity at 31 March 2008	**116.0**	**(12.2)**	**0.3**	**761.5**	**34.8**	**900.4**
Equity at 1 January 2007	**116.0**	**12.4**	**(1.9)**	**720.7**	**23.2**	**870.4**
Changes in equity in 2007						
Foreign exchange adjustments, foreign companies		(6.4)				(6.4)
Share-based payment				0.4		0.4
Tax on changes in equity		0.3				0.3
Net gains recognised directly in equity			(1.1)			(1.1)
Profit for the period				22.4		22.4
Total recognised income and expense for the period	**0.0**	**(6.1)**	**(1.1)**	**22.8**	**0.0**	**15.6**
Buyback of treasury shares				(9.2)		(9.2)
Total changes in equity in 2007	**0.0**	**(6.1)**	**(1.1)**	**13.6**	**0.0**	**6.4**
Equity at 31 March 2007	**116.0**	**6.3**	**(3.0)**	**734.3**	**23.2**	**876.8**

NOTES

1 Accounting policies

The interim financial report for the period 1 January – 31 March 2008 is presented in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and additional Danish disclosure requirements for interim financial reports of listed companies. The application of IAS 34 means that the presentation is more limited than the presentation of a complete annual report, and that the recognition and measurement principles in the international financial reporting standards (IFRS) have been complied with. The interim financial report has not been audited or reviewed by the company's auditors.

The accounting policies are consistent with those applied in the 2007 annual report. The 2007 annual report includes a full description of the accounting policies

2 Segment information

(Amount in DKKm)	UK		Germany and Denmark		Eastern Europe		Nordic countries		Eliminations and non-allocated items*		Group total	
Q1	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Revenue, external	128.1	159.9	98.9	100.7	141.1	91.9	48.1	63.6	0.0	0.0	416.2	416.1
Revenue, internal	0.0	0.0	14.3	4.5	0.0	0.0	2.2	0.0	(16.5)	(4.5)	0.0	0.0
EBITDA	19.3	28.9	23.5	27.9	34.5	14.8	(0.2)	0.7	(8.3)	(7.1)	68.8	65.2
Depreciation and amortisation	(9.8)	(10.8)	(12.1)	(11.4)	(5.6)	(5.4)	(1.8)	(1.9)	(0.2)	(0.2)	(29.5)	(29.7)
EBITA	9.5	18.1	11.4	16.5	28.9	9.4	(2.0)	(1.2)	(8.5)	(7.3)	39.3	35.5
Impairment losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	9.5	18.1	11.4	16.5	28.9	9.4	(2.0)	(1.2)	(8.5)	(7.3)	39.3	35.5
Net financing costs	(1.1)	(0.6)	(3.0)	(2.3)	(3.5)	(2.7)	(0.7)	(0.8)	2.9	2.3	(5.4)	(4.1)
Profit before tax	8.4	17.5	8.4	14.2	25.4	6.7	(2.7)	(2.0)	(5.6)	(5.0)	33.9	31.4

* Eliminations consist of inter-segment transactions. Intra-group trading is on an arm's length basis.

The H+H companies are geographically divided into four segments: UK with four factories; Germany and Denmark with three factories in Germany and one sales office in Denmark; Eastern Europe with five factories in Poland, one factory in the Czech Republic, a sales office in the Ukraine and a sales office in Latvia; the Nordic countries with one factory in Finland and sales offices in Sweden and Norway. In addition, a factory is under construction in St Petersburg.

NOTES

3 Acquisitions

On 2 January 2008, H+H Deutschland GmbH in Germany acquired a gravel pit adjoining its Wittenborn factories. Historically, the gravel pit has been a supplier of sand to the Wittenborn factories.

(Amount in DKKm)	Fair value at acquisition date	Carrying amount before the acquisition
Intangible assets	15.9	5.0
Land and buildings	2.3	2.3
Other non-current assets	9.4	0.0
Property, plant and equipment	1.3	0.0
Inventories	0.1	0.1
Other non-current liabilities	(0.4)	(0.3)
Net assets acquired	28.7	7.1
Goodwill	0.0	
Cost	28.7	
Including cash and cash equivalents	0.0	
Purchase consideration in cash	28.7	

4 Post-balance sheet events

In the first quarter, the company bought back 75,830 B shares. At the company's Annual General Meeting on 16 April 2008, a resolution was passed to seek the cancellation of 70,000 B shares, equivalent to a nominal value of DKK 7,000,000. The process related to reduction of the share capital has thus been initiated.

No other events have occurred after the balance sheet date that will have a material effect on the company's financial standing.