



PRESS RELEASE  
21 March 2013

## **VKR Holding – Unchanged profit level despite transitions**

**In spite of a decrease in revenue of just above 3%, transition to new product programmes and ongoing challenging market conditions, especially in Western Europe, the Group's result after tax was DKK 1.1 billion (2011: DKK 1.0 billion). Profit from financial investments contributed DKK 0.3 billion in 2012.**

2012 continued where 2011 ended with a challenging market situation due to lack of growth in most of the core markets and major fluctuations in the level of activity throughout the year. The construction industry in Europe, in particular Western Europe, showed a decline in the activity level, while North America showed signs of a recovery in terms of revenue.

- Consolidated revenue was DKK 17.0 billion
- Operating profit (EBITA) was DKK 1.5 billion
- Return on capital employed was 17%
- Cash flow from operating activities was DKK 1.7 billion
- Result after tax was DKK 1.1 billion
- Dividend of DKK 0.5 billion will be paid out to shareholders

2012 was a year with a high investment level, DKK 1.5 billion, of which DKK 1.3 billion was invested in tangible fixed assets. Within the Vertical windows business area, 70% of the Norwegian window manufacturer Lian was acquired. Norway remains a growth market.

At the end of 2012, VKR Holding entered into an agreement on the sale of its shares in the company EXHAUSTO within the Ventilation & indoor climate business area. VKR Holding will, however, remain co-investor and minority shareholder in EXHAUSTO, which manufactures and sells innovative ventilation solutions. A partnership has been established with the Danish private equity fund Axcel with the aim of accelerating the continued growth of the ventilation company, which is headquartered in Funen.

In 2012, VKR Holding completed its transition to financial investor, and thereby increased its focus on the returns from the business areas. However, in spite of some bright spots, Management concludes that the overall result did not meet expectations, despite a slightly improved consolidated result compared to 2011. The improvement on the previous year was mainly due to a higher return on financial investments, while the profit from operating activities was lower, albeit obtained under challenging market conditions.

The general economic trends are expected to continue to entail considerable uncertainty in 2013.

"We estimate that 2013 will be another difficult year with substantial market challenges and major volatility throughout the year for the business areas in which we are involved," comments Jan Lundsgaard Jensen, CEO of VKR Holding A/S. "Fortunately, as always, there will be differences among the individual markets. The transition to new product programmes is also expected to impact the results of 2013," he adds. Overall results are expected to be in line with 2012.

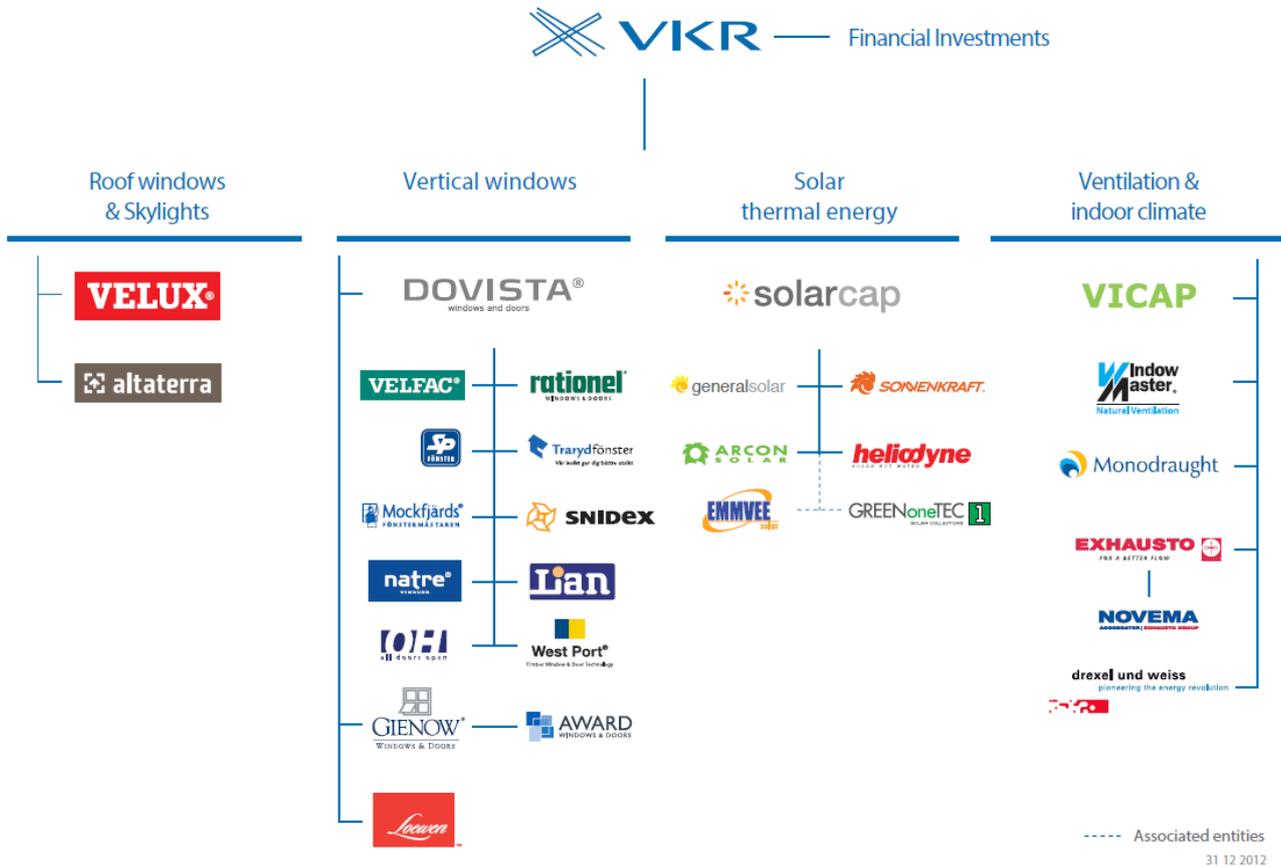
### **ABOUT VKR HOLDING**

VKR Holding is a holding and investment company that owns companies in four business areas. VKR Holding's objective is to create value through investments and ownership of companies that bring daylight, fresh air and a better environment to people's everyday lives. VKR Holding owns companies in the business areas of Roof windows & skylights, Vertical windows, Solar thermal energy and Ventilation & indoor climate, which together employ around 15,000 employees in more than 40 countries. VKR Holding is owned by foundations and by family, its major shareholder being the VILLUM FOUNDATION.

#### **Further information:**

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## The VKR Group at 31 December 2012



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