

## Improved financial performance in a market characterised by limited growth

24 March 2015

**Focus on core business produced the desired effect with a decent financial performance.**

*"2014 was an intense and exciting year. Effects of the transitions, investments and initiatives that we had made should be realised. We consider the result to be satisfactory, not least because, we now, in every way, also have an even better foundation for future growth",* says Jan Lundsgaard Jensen, CEO of VKR Holding.

Key figures (DKKm)	2014	2013	2012	2011	2010
Revenue	16,412	16,414	16,994	17,552	16,790
Profit before depreciation, EBITDA	2,950	2,272	2,427	2,693	3,067
Profit before goodwill amortisation, financial items and tax, EBITA	2,011	1,335	1,533	1,795	2,171
<b>EBITA margin (%)</b>	<b>12.3%</b>	<b>8.1%</b>	<b>9.0%</b>	<b>10.2%</b>	<b>12.9%</b>
Return of capital employed (%)	24.9%	14.5%	16.5%	20.2%	24.2%
<b>Profit after tax</b>	<b>1,340</b>	<b>788</b>	<b>1,129</b>	<b>1,040</b>	<b>1,763</b>
Free Cash flow after tax	2,408	2,006	228	1,532	1,973

All business entities recorded satisfactory developments in 2014, and the results of the dedicated measures taken over the past few years have started to materialise. VELUX, the core business unit, has completed the transition to a new production platform. The core business activities also include the vertical window segment, DOVISTA, which includes entities such as VELFAC and Rationel Vinduer. Developments in this segment were also favourable and included a visible increase in export sales to the UK and Ireland.

However, significant progress was also experienced for the relatively small business areas. The activities in solar thermal energy now focus exclusively on large-scale solutions for e.g. district heating plants and facilities for process heating for breweries, dairies, mining companies and the like. ARCON Solar, a company located south of Aalborg in Denmark, has increased its revenue fivefold over a few years, and at the beginning of 2015 the company acquired activities from SUNMARK and the shares in Pipeteq Systems, focusing on additional international expansion. WindowMaster A/S, a manufacturer of natural ventilation solutions, recorded its best year ever in 2014. Subsequent divestment took place at the beginning of 2015 as part of the Group's focus on core strategy.

Søren Bjerre-Nielsen, Chairman of the Board of VKR Holding A/S and VELUX A/S says, *"Our dedicated employees throughout the organisation and at all levels have made a huge effort in the transition to new production platforms. We would like to express our thanks for the dedicated work. Most importantly, however, is that our customers are satisfied with the Group's products in all the markets."*

On the Board of VKR Holding A/S, Mads Kann-Rasmussen will replace Jens Kann-Rasmussen, who was elected as Chairman of the board of the Foundation VILLUM FONDEN earlier this month. Steen Riisgaard will join the Board of VKR Holding as representative of VILLUM FONDEN, where he will replace Kristian Stubkjær, who is not eligible for re-election due to VILLUM FONDEN's rules on maximum term of office.

The outlook for 2015 is cautiously positive, and on the basis of the current market prospects, the Group expects to generate moderate revenue growth and a profit for 2015 that will be at the same level as in 2014.

### About VKR Holding

VKR Holding is a holding and investment company whose objective is to create value through capital investments and company ownership. In total, VKR Holding's companies employ some 13,500 people in more than 40 countries. VKR Holding owns companies which bring daylight, fresh air and a better environment into people's everyday lives. VKR Holding is a company in family trust ownership with VILLUM FONDEN as its majority shareholder.