

Continued sales growth and improved earnings

Second quarter of 2019

- Consolidated net sales increased by 21 percent to SEK 889 m (736), of which organic growth amounted to 6 percent. Acquisitions contributed by 13 percent and currency by 2 percent
- Net sales in Products & Solutions amounted to SEK 688 m (565) and Installation Services to SEK 234 m (201)
- EBITDA increased by 32 percent to SEK 124 m (94)
- Operating profit (EBIT) increased by 25 percent to SEK 95 m (76)
- ROCE on rolling 12 months basis was 12.5 percent (14.5)
- Operating cash flow amounted to SEK 73 m (39)
- Earnings per share before dilution were SEK 2.79 (2.43) and after dilution SEK 2.77 (2.43)
- As resolved at the AGM, a dividend of SEK 4.00 (3.75) per share was paid in May

January–June 2019

- Consolidated net sales increased by 20 percent to SEK 1,458 m (1,210), of which organic growth amounted to 5 percent. Acquisitions contributed by 12 percent and currency by 3 percent
- Net sales in Products & Solutions amounted to SEK 1,134 m (932) and Installation Services to SEK 373 m (320)
- EBITDA increased by 27 percent to SEK 142 m (111)
- Operating profit (EBIT) increased by 13 percent to SEK 89 m (79)
- Operating cash flow amounted to SEK 24 m (-27)
- Earnings per share before dilution were SEK 2.35 (2.30) and after dilution SEK 2.34 (2.30)

Financial key ratios *

Amounts in SEKm unless otherwise stated	Q2 2019	Q2 2018	Change	6M 2019	6M 2018	Change	R12 2019	12M 2018
Net sales	889	736	21%	1,458	1,210	20%	2,928	2,680
Gross profit	238	196	22%	370	304	22%	746	680
Gross margin %	26.7%	26.6%	0.2pp	25.4%	25.1%	0.3pp	25.5%	25.4%
EBITDA	124	94	32%	142	111	27%	305	274
EBITDA margin, %	13.9%	12.8%	1.1pp	9.7%	9.2%	0.5pp	10.4%	10.2%
EBIT	95	76	25%	89	79	13%	222	212
EBIT margin, %	10.7%	10.4%	0.3pp	6.1%	6.5%	-0.4pp	7.6%	7.9%
Return on capital employed, %	n/a	n/a	n/a	n/a	n/a	n/a	12.5%	14.0%
Net profit	67	59	14%	56	55	1%	153	152
Operating cash flow	73	39	89%	24	-27	n/a	230	180
Net debt	870	430	102%	870	430	102%	870	442
Earnings per share before dilution, SEK	2.79	2.43	15%	2.35	2.30	2%	6.33	6.30
Earnings per share after dilution, SEK	2.77	2.43	14%	2.34	2.30	1%	6.33	6.30

*Q2 2019 and 6M 2019 has been affected by implementation of IFRS 16, and comparative figures for previous year have not been restated. For further information, see page 17.

Expectations for financial year 2019 (unchanged)

For the financial year 2019, general demand is expected to be similar to that in 2018 in most markets. Nordic Waterproofing expects to meet its financial targets, and the Group's organic net sales growth is expected to exceed the general growth rate in the markets in which the Group operates. In addition to organic growth, the Group also expects to continue growing through selective acquisitions. Operating profit (EBIT) is expected to increase compared with 2018, assuming normal winter conditions during the fourth quarter.

Unless otherwise stated, figures within parentheses refer to the preceding year or the corresponding period in the preceding year in respect of income statement and/or cash flow items and the end of the preceding year or the corresponding period in the preceding year in respect of balance sheet items. For definitions and reconciliations of financial and alternative key performance indicators, please see page 22-23.

Message from the CEO

Continued sales growth and improved earnings

Nordic Waterproofing continued to grow strongly also in the second quarter. Consolidated net sales for the second quarter rose by 21 percent compared with previous year, from SEK 736 m to SEK 889 m. Acquisitions contributed with 13 percent. Organic growth was strong at 6 percent and the currency translation exchange rate effect was 2 percent. At SEK 95 m, EBIT was 25 percent above last year's profit of SEK 76 m, and EBITDA was SEK 124 m compared with SEK 94 m in the corresponding period the preceding year. The quarterly operating profit was the best ever, in spite of the prefab elements business and Norway performing below target.

We continue to focus on organic growth, profitability and selective acquisitions. Organic growth is expected to come particularly from the development of our recent acquisitions, building on our new platforms in prefabricated elements, Taasinge group, and green infrastructure, Veg Tech.

Regarding acquisitions, we maintain our focus on small to medium sized companies presenting good synergistic potential with our existing businesses. Promoting sustainability remains a key focus.

While our Products & Solutions operating segment reported a sales increase of 22 percent, our Installation Services operating segment increased 16 percent.

Within our Products & Solutions segment, sales were mainly driven by the acquired businesses in Veg Tech and Distri Pond as well as flat roofing products and geomembranes in Finland. The Finnish builders' merchants market is somewhat weaker with lower volumes than in the corresponding period the preceding year. SealEco continues to grow, both due to the acquired company Distri Pond developing according to expectations but also organically with fairly strong sales in Western Europe. In Norway we continue to experience increased competition and price pressure, and a consolidation within builders' merchants. Our intensified sales and marketing efforts to increase market share continues but has yet to produce increased sales volumes and profitability within the builder's merchants segment. At the same time, we continue to make good progress in the flat roofing and ground businesses in Norway. In Denmark, the flat roofing market is strong although our sales in the second quarter were slightly lower than previous year. In Sweden both the flat roofing and builders' merchants markets remain stable and we still only see a minor impact from the weaker housing market.

The prefabricated elements business both in Norway and Denmark enjoys strong order books, however the Danish prefabricated elements business continues to suffer from customer delays. This creates difficulties in optimizing the production planning leading to lower efficiency and earnings, and although the situation has stabilized recently, the inefficiency is expected to continue through 2019.



Martin Ellis,
President and CEO

Jan–Jun 2019

Net sales:
SEK 1,458 m (1,210)

EBITDA:
SEK 142 m (111)
9.7% (9.2%)

EBIT:
SEK 89 m (79)
6.1% (6.5%)

ROCE (R12):
12.5% (14.5%)

The seasonally low sales in Veg Tech in the first quarter have been followed by strong sales volumes in the second quarter. As a result, Veg Tech shows a positive profit contribution for the first half of the year.

Within the Installation Services segment, activity was strong with higher sales volumes in flat roofing, pitched roofing and also flooring. As commented previously, the general outlook and the Finnish market expectations for the year are slightly negative, which makes for a continuously competitive marketplace. The order intake during the second quarter was slightly lower compared with previous year, but our focus on margin improvement continues to bear fruit. Our Danish franchise companies experience a strong market and perform well in the second quarter, with strong order books and an EBIT contribution above the corresponding period last year.

We see current trends continuing for the rest of the year, and our result outlook remains unchanged.

Vejen, 25 July 2019



Martin Ellis,
President and CEO

Conference call

A conference call for investors, analysts and media will be held today, 25 July 2019, at 10:00 a.m. CEST and can be joined online at www.nordicwaterproofing.com. Presentation materials for the call will be available on the website one hour before the call.

To participate, please dial:

From the United Kingdom: +44 33 3300 9034

From Denmark: +45 78 15 01 07

From Sweden: +46 8 566 426 92

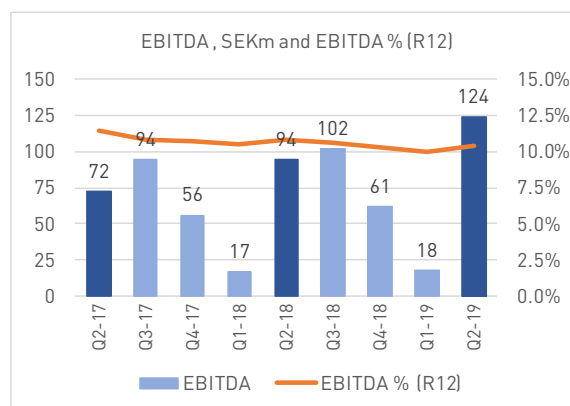
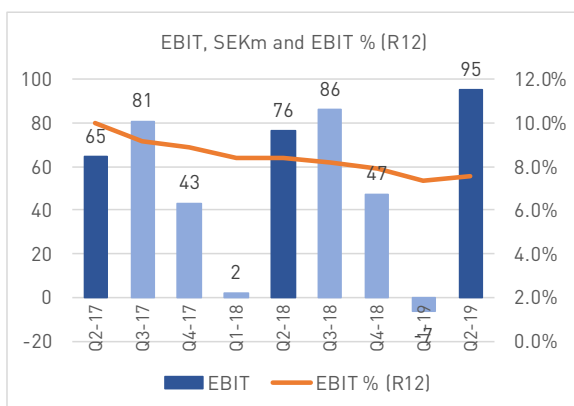
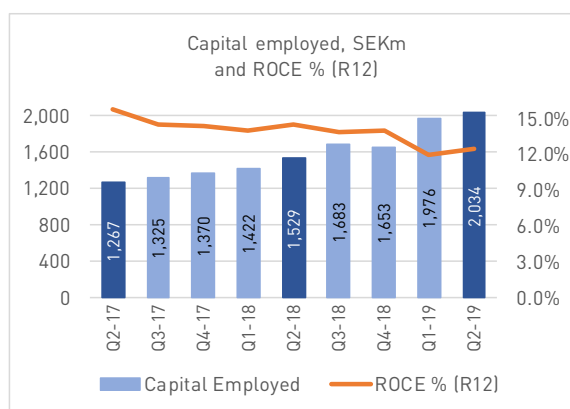
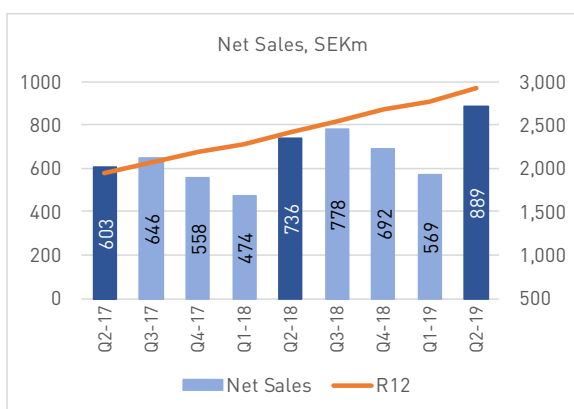
The Group

Net sales

Consolidated net sales for the second quarter increased by 21 percent to SEK 889 m (736). Sales in acquired companies contributed by 13 percent. Organic growth was 6 percent and currency translation effects were positive affecting net sales by 2 percent. Net sales for the period January-June increased by 20 percent to SEK 1,458 m (1,210). Acquisitions contributed with 12 percent, while the organic growth was 5 percent. The currency effects for the period were positive and affected net sales by 3 percent.

Analysis of net sales	Q2 2019 (%)	Q2 2019 (SEKm)	6M 2019 (%)	6M 2019 (SEKm)
Previous period		736		1,210
Organic growth	6%	43	5%	66
Structural effects	13%	95	12%	147
Currency effects	2%	15	3%	35
Current period	21%	889	20%	1,458

Organic growth in the second quarter was driven by Finland showing positive development in both operating segments. Sales increased by 19 percent during the quarter compared with the corresponding period in the preceding year due to higher activity within roof installation and consequently higher sales of flat roofing products, but also project sales of geomembranes during the quarter. Sales in Norway increased by 42 percent, of which 13 percentage units were related to the acquisition of VegTech. The organic sales growth in Norway in local currency was 28 percent mainly explained by strong sales in the prefabricated elements business. In Sweden, sales increased by 41 percent compared with the corresponding period in the preceding year, of which 37 percentage units were related to Veg Tech. Sales in Denmark decreased by 9 percent in the second quarter, as Taasinge continues to suffer from customer delays. Sales in other Europe increased by 38 percent in the quarter, of which 33 percentage units were related to the acquisition of Distri Pond.



Operating profit (EBIT), EBITDA and ROCE

EBITDA for the second quarter increased to SEK 124 m (94) and the EBITDA margin increased to 13.9 percent (12.8). EBITDA for the period January-June increased to SEK 142 m (111) and the EBITDA margin increased to 9.7 percent (9.2). The implementation of IFRS 16 affected EBITDA positively by SEK 14 m (0) in the second quarter and SEK 24 m (0) for the period January-June.

Operating profit (EBIT) for the second quarter increased to SEK 95 m (76) and the EBIT margin increased to 10.7 percent (10.4). The EBIT-impact following the implementation of IFRS 16 was insignificant, however depreciation of right-of-use assets amounts to SEK 12 m in the second quarter, of which almost all relate to the Products and Solutions-segment. Earnings were negatively affected by amortizations of customer relations in the acquired companies of SEK 5 m (previous year SEK 9 m, including order book amortizations). Acquisition-related expenses, previously reported as Items affecting comparability which are no longer disclosed separately, were SEK 0 m (-2) in the quarter. Operating profit (EBIT) for the period January-June increased to SEK 89 m (79) while the EBIT margin decreased to 6.1 percent (6.5). Depreciation of right-of-use assets amounts to SEK 23 m (0) for the period January-June.

Return on capital employed (ROCE) on rolling 12 month basis was 12.5 percent (14.5) for the second quarter, which was below our long-term financial target of 13 percent (which has been updated in connection with the implementation of IFRS 16, see page 7) due to increased capital employed from the relatively large acquisitions of Veg Tech in 2018 and Distri Pond in 2019.

Net financial items

Net financial items for the second quarter of 2019 amounted to SEK -12 m (-5). The increase is explained by higher interest costs due to the higher leverage following the acquisitions and the effect from IFRS 16, as well as a negative fair value adjustment of call/put options connected to former EPDM Systems of SEK -3 m (-1), since the company has performed better than earlier expectations. Net financial items for the period January-June amounted to SEK -18 m (-9), of which the net fair value adjustment of call/put options for the remaining shares in the acquired companies amounts to SEK -3 m (-1).

Profit or loss before and after tax

The profit before tax for the second quarter amounted to SEK 84 m (71) and profit after tax amounted to SEK 67 m (59). Income tax amounted to SEK -17 m (-13), corresponding to an effective tax rate of 20.2 percent (20.3).

Cash flow

Operating cash flow during the second quarter was SEK 73 m (39) and followed normal seasonal variation in the second quarter. The operating cashflow was SEK 34 m higher than in the corresponding period in the preceding year and is primarily explained by higher EBITDA and net working capital increasing less than previous year.

Cash flow from operating activities during the second quarter was SEK 37 m better than in the corresponding period in the preceding year, amounting to SEK 78 m (41), following higher EBITDA and a lower increase in net working capital than previous year.

Cash flow from investing activities during the second quarter was negative and in the amount of SEK -50 m (-14), due to investments in associated companies in Denmark of SEK 35 m (0) and investments in fixed assets of SEK 13 m (12).

Cash flow from financing activities during the second quarter was SEK -29 m (-54). In May, a cash dividend was paid to the shareholders in the amount of SEK 95 m (90), and the cash pool credit/revolving credit facility has been utilized to finance the seasonal swing in net working capital in the amount of SEK 68 m (37).

Investments and depreciations

Gross investments excluding acquisitions during the second quarter of 2019 amounted to SEK 13 m (13), while depreciation amounted to SEK 11 m (8). Right-of-use depreciations relating to IFRS 16 amounts to SEK 12 m (0). Amortizations of intangible assets amounted to SEK 5 m (9), primarily consisting of amortizations of customer relations in the acquired companies.

Financial position and liquidity

Nordic Waterproofing's principal external financing agreement is valid until June 2021 and was amended and restated in connection with the acquisition of Distri Pond Group in February 2019. The financing agreement contains a EUR 73.0 m term loan facility and a EUR 26.5 m revolving loan facility, of which EUR 14.4 m is allocated to the Group cash pool overdraft facility. The loan and credit facilities bear variable interest and run without requiring repayment in instalments. The financing agreement contains financial covenants that are monitored and followed up on a quarterly basis. Every quarter, Nordic Waterproofing has fulfilled the terms and conditions of the facility agreements.

The consolidated interest-bearing net debt amounted to SEK 870 m (430) at the end of the period, compared with SEK 442 m at the end of 2018. The increase of SEK 428 m for the period January - June is mainly explained by the impact from IFRS16 (SEK 131 m), enterprise value of the acquisition of DistriPond in February (appr SEK 118 m), payment of a cash dividend in April (SEK 95 m), and investments in associated companies in Denmark (SEK 36 m). Consolidated cash and cash equivalents amounted to SEK 80 m (51) at the end of the period. Out of the Group's total overdraft facility of SEK 152 m (150), SEK 13 m (59) was utilized at the end of the quarter. Hence, the total cash and cash equivalents available amounted to SEK 219 m (142) at the end of the quarter.

Indebtedness calculated as net interest-bearing debt/EBITDA during the most recent twelve-month period was 2.9x (1.6x) at the end of the period, and the net debt/equity ratio was 0.8x (0.4x).

Pledged assets and contingent liabilities

There were no significant changes in contingent liabilities during the period.

Employees

The average number of employees during the second quarter of 2019 (expressed as full-time equivalents) was 1,175 compared with 1,043 during the same period in the preceding year. The increase derives primarily from the acquisitions during 2018 and 2019.

Significant events during the period

The Annual General Meeting on 24 April 2019 approved the proposal of the Nomination Committee to re-elect Ulf Gudemark, Allan Jørgensen, Riitta Palomäki, Mats O. Paulsson and Kristina Willgård and to elect Steffen Baungaard as members of the Board of Nordic Waterproofing Holding A/S.

The Annual General Meeting resolved to distribute SEK 4.00 per share, in total an amount of SEK 96 m, to the shareholders in the form of dividends.

The Annual General Meeting also approved the Nomination Committee's proposal to elect Deloitte Statsautoriseret Revisionspartnerselskab as auditor.

Significant events after the reporting period

No significant events have occurred after 30 June 2019.

Financial targets

The Board of Directors has updated the company's long-term financial targets, effective as of 2 May 2019. Nordic Waterproofing's target for the return on capital employed (ROCE) is at least 13 percent. The interest-bearing net debt/EBITDA-ratio shall not exceed 3.0 times. Both targets, measured for the financial year and at year-end, reflect the impacts of IFRS 16 and the discontinued reporting of items affecting comparability. Both targets are analogue to the previous targets and the ambition level remains unchanged.

The Parent Company

The Parent Company, Nordic Waterproofing Holding A/S, is a holding company that does not conduct any business. The parent company's earnings primarily reflect the net revenues for joint Group services and deductions for salaries, other remuneration and compensation, and similar expenses.

Incentive programs

The 2019 Annual General Meeting in April resolved to authorize the Board of Directors to establish a Long-Term Incentive Program ("LTIP 2019") offered to a maximum of 30 employees of the Group. The participants shall be allotted, free-of-charge, performance share rights entitling them to allocations of shares in the Company. Performance shares may be granted to the individual participant when targets have been met over a period of three years. The target is measured each year and the outcome is set after three years. Performance shares may only be granted to the individual participant if the participant is still employed by the Company and has not given, or been served, notice during the three-year vesting period. Targets for the participants are based on annual growth of operating profit before interest and taxes ("EBIT growth").

The total costs for the 3-year program in accordance with IFRS 2, including social security charges, are estimated to be at most SEK 10 m under the assumption of an average annual growth of operating profit (EBIT) of 10 percent.

No new shares will be issued in the Company due to LTIP 2019. However, the Company will acquire 143,038 treasury shares, corresponding to approximately 0.59 percent of the outstanding shares and votes in the Company in order to secure the provision of shares under LTIP 2019 and to secure and cover social security charges. The costs for the incentive program are expected to have a marginal effect on Nordic Waterproofing Group's key ratios.

In total, the Company has established three incentive programs ("LTIP 2017", "LTIP 2018" and "LTIP 2019"). The total cost, including social security charges, is estimated to be at most SEK 10 m for each program under the assumption of an average annual growth of operating profit (EBIT) before items affecting comparability of 10-12 percent. No new shares will be issued in the Company due to the programs. However, the Company will acquire treasury shares in order to secure the provision of shares and to secure and cover social security charges. The costs for the programs are expected to have a marginal effect on Nordic Waterproofing Group's key ratios. The maximum number of shares that can be granted under the LTIP 2017, LTIP 2018 and LTIP 2019 are 98,843, 140,731 and 143,038 respectively. As of 30 June 2019, the Company has acquired and owns 200,000 (0) treasury shares.

Shares and share capital

As per 30 June 2019, the share capital amounted to DKK 24,084 thousand and the total number of issued shares was 24,083,935. The Company has one (1) class of shares. Each share entitles the holder to one vote at general meetings. As per 30 June 2019, Nordic Waterproofing Holding A/S had more than 3,200 shareholders and owns itself 200,000 treasury shares (0.8% of the total number of issued shares) following the share buyback program in connection with the long-term incentive programs for 2017 and 2018.

There have not been any changes in shares and share capital during the second quarter of 2019.

Ownership structure

The largest shareholders in Nordic Waterproofing Holding A/S, as per 30 June 2019, are stated below.

Owner	Number of shares	Capital and votes, %
Svolder	2,891,580	12.0%
Mawer Investment Management	2,676,037	11.1%
Swedbank Robur Funds	2,187,095	9.1%
Carnegie Funds	1,996,505	8.3%
Länsförsäkringar Funds	1,398,145	5.8%
Catella Funds	996,012	4.1%
Handelsbanken Funds	918,044	3.8%
Third AP-fund	865,707	3.6%
Canaccord Genuity Wealth Management	609,752	2.5%
Prior & Nilsson Fonder	603,655	2.5%
Total 10 largest shareholders	15,142,532	62.9%
Treasury shares	200,000	0.8%
Other shareholders	8,741,403	36.3%
Total number of shares	24,083,935	100.0%

Source: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority. Holdings with depositories are reported as "other shareholders".

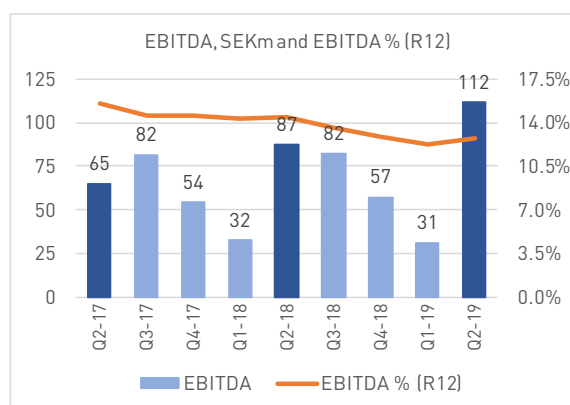
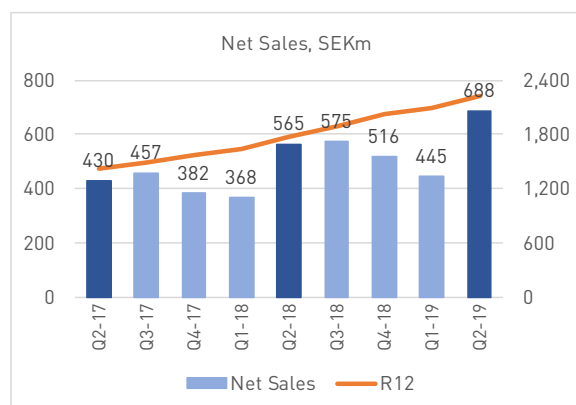
Operating segments

Products & Solutions

Net sales for the second quarter of 2019 increased by 22 percent compared with the corresponding period in the preceding year, amounting to SEK 688 m (565). Organic growth was 3 percent, while acquisitions contributed with 17 percent and currency effects with 2 percent. Sales in Norway increased by 42 percent, of which 13 percentage units were related to the acquisition of VegTech. The organic sales growth in Norway in local currency was 28 percent mainly explained by strong sales in the prefabricated elements business. Sales in Sweden increased by 41 percent, whereof Veg Tech contributed with 37 percentage units. Sales in Finland increased by 31 percent. Sales in Denmark decreased by 9 percent in the second quarter, as Taasinge continues to suffer from customer delays. Sales in other Europe increased by 38 percent, of which Distri Pond, which was acquired in February 2019, contributed with 33 percentage units.

Analysis of net sales, Product & Solutions	Q2 2019 (%)	Q2 2019 (SEKm)	6M 2019 (%)	6M 2019 (SEKm)
Previous period		565		932
Organic growth	3%	20	4%	33
Structural effects	17%	95	16%	147
Currency effects	2%	9	2%	22
Current period	22%	688	22%	1,134

EBITDA amounted to SEK 112 m (87) and the EBITDA margin was 16.2 percent (15.5) in the second quarter. Depreciation of right-of-use assets following the implementation of IFRS 16 as from January 1, 2019, relating to the Products & Solutions segment, amounts to SEK -10 m in the second quarter and SEK -19 m for the period January-June. Operating profit (EBIT) for Products & Solutions for the second quarter 2019 amounted to SEK 87 m (72). The EBIT margin was unchanged at 12.7 percent.



Installation Services

Business in this operating segment is primarily conducted in Finland and through the non-consolidated franchise companies in Denmark. Net sales for the second quarter of 2019 increased by 16 percent compared with the corresponding period in the preceding year, amounting to SEK 234 m (201). Organic growth was 13 percent, while the currency effect were positive affecting net sales by 3 percent.

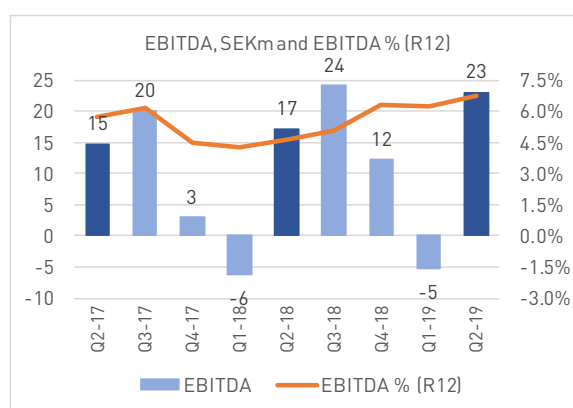
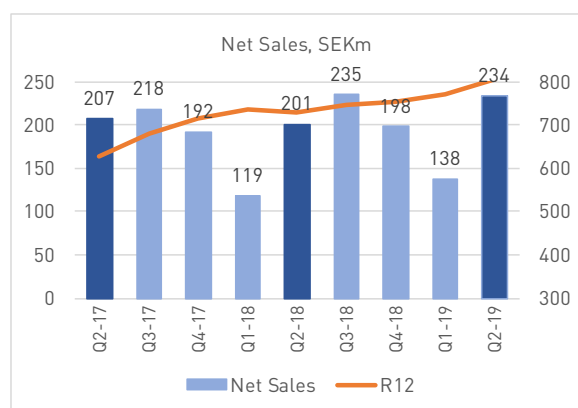
Analysis of net sales, Installation Services	Q2 2019 (%)	Q2 2019 (SEKm)	6M 2019 (%)	6M 2019 (SEKm)
Previous period		201		320
Organic growth	13%	27	12%	39
Structural effects	0%	0	0%	0
Currency effects	3%	7	4%	14
Current period	16%	234	16%	373

Order inflow during the second quarter decreased by 17 percent compared with the preceding year. The order book was 11 percent lower at the end of June 2019, compared with the corresponding period in the preceding year. The lower order book is mainly explained by previous year's cruise ship flooring orders.

Order inflow and order book

SEKm, unless otherwise stated	Q2 2019	Q2 2018	Change	6M 2019	6M 2018	Change
Order inflow in the period	179	215	-17%	297	286	4%
Order book at end of period	280	313	-11%	280	313	-11%

EBITDA amounted to SEK 23 m (17) and the EBITDA margin was 9.9 percent (8.6) in the second quarter. Our Danish franchise companies continued to perform well in the second quarter. Operating profit (EBIT) for Installation Services for the second quarter amounted to SEK 19 m (16). The EBIT margin was 8.3 percent (7.8) in the quarter.



Note: both EBITDA and EBITDA % include the share of profit in associated companies

Quarterly data, IFRS and alternative measures

Key figures (SEKm)	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017
Net sales	889	569	692	778	736	474	558	646
EBITDA	124	18	61	102	94	17	56	94
EBITDA margin, %	13.9%	3.1%	8.9%	13.1%	12.8%	3.6%	10.1%	14.6%
Operating profit (EBIT)	95	-7	47	86	76	2	43	81
EBIT margin, %	10.7%	-1.2%	6.9%	11.1%	10.4%	0.5%	7.8%	12.5%
ROCE (R12), %	12.5%	12.0%	14.0%	13.8%	14.5%	14.0%	14.4%	14.5%
Net profit	67	-10	25	71	59	-3	23	65
Operating cashflow	73	-49	84	123	39	-65	88	101
Operating cashflow (R12)	230	196	180	184	163	105	150	183
Operating cash conversion (R12), %	76%	71%	65%	68%	62%	44%	64%	82%
Net debt	870	783	442	493	430	293	204	276
Earnings per share before dilution, SEK	2.79	-0.44	1.03	2.97	2.43	-0.13	0.95	2.70

Net sales by segment (SEKm)	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017
Products & Solutions	688	445	516	575	565	368	382	457
Installation Services	234	138	198	235	201	119	192	218
Group Items & Eliminations	-34	-14	-22	-32	-30	-12	-16	-30
Total	889	569	692	778	736	474	558	646

Net sales by country (SEKm)	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017
Sweden	171	75	121	140	122	58	80	101
Norway	122	79	88	92	86	38	41	55
Denmark	175	142	183	180	192	153	152	151
Finland	271	158	214	267	229	146	207	247
Europe	148	114	83	98	107	78	77	89
Rest of world	3	1	3	0	0	1	2	3
Total	889	569	692	778	736	474	558	646

EBITDA by segment (SEKm)	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017
Products & Solutions	112	31	57	82	87	32	54	82
Installation Services	23	-5	12	24	17	-6	3	20
Group Items & Eliminations	-11	-8	-8	-5	-11	-9	-1	-7
Total	124	18	61	102	94	17	56	94

EBIT by segment (SEKm)	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017
Products & Solutions	87	10	46	69	72	19	44	71
Installation Services	19	-8	11	23	16	-8	1	18
Group Items & Eliminations	-12	-8	-9	-5	-11	-9	-1	-8
Total	95	-7	47	86	76	2	43	81

*Q1 and Q2 2019 has been affected by implementation of IFRS 16, and comparative figures for previous year have not been restated. For further information, see page 17.

Management's statement

Today, the Group's Board of Directors and Executive Board have discussed and approved the interim report of Nordic Waterproofing Holding A/S for the period January–June 2019.

The interim 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 requirements relating to the disclosure of information for interim reports of listed companies.

In our opinion, the interim report gives a true and fair presentation of the Group's assets, shareholders' equity and liabilities, and financial position as at 30 June 2019, as well as of the results of the Group's activities and cash flow for the period January-June 2019.

Furthermore, in our opinion, the review by management provides a true and fair statement of the development of the Group's activities, financial position and profit or loss for the period, and describes the most significant risks and uncertainties faced by the Group.

Vejen, 25 July 2019

Executive Board

Martin Ellis
President & CEO

Board of Directors

Ulf Gundemark
Chairman

Steffen Baungaard

Allan Jørgensen

Riitta Palomäki

Mats O. Paulsson

Kristina Willgård

Condensed consolidated key figures

Amounts in SEKm unless otherwise stated	Q2 2019	Q2 2018	6M 2019	6M 2018	R12 2019	12M 2018
Net sales	889	736	1,458	1,210	2,928	2,680
Gross profit	238	196	370	304	746	680
EBITDA	124	94	142	111	305	274
Operating profit (EBIT)	95	76	89	79	222	212
Net profit	67	59	56	55	153	152
Gross margin, %	26.7%	26.6%	25.4%	25.1%	25.5%	25.4%
EBITDA margin, %	13.9%	12.8%	9.7%	9.2%	10.4%	10.2%
EBIT margin, %	10.7%	10.4%	6.1%	6.5%	7.6%	7.9%
Operating cash flow	73	39	24	-27	230	180
Operating cash conversion, %	n/a	n/a	n/a	n/a	76%	65%
Investments in tangible & intangible assets	-13	-12	-29	-23	-62	-56
Total assets	2,721	2,076	2,721	2,076	2,721	2,127
Capital employed	2,034	1,529	2,034	1,529	2,034	1,653
Equity	1,084	1,048	1,084	1,048	1,084	1,106
Net debt	870	430	870	430	870	442
Net debt/EBITDA, multiple	n/a	n/a	n/a	n/a	2.9x	1.6x
Interest coverage ratio, multiple	14.4x	26.7x	6.9x	15.6x	11.2x	17.3x
Equity/assets ratio, %	39.8%	50.5%	39.8%	50.5%	39.8%	52.0%
Net debt/equity ratio, multiple	0.8x	0.4x	0.8x	0.4x	0.8x	0.4x
Return on shareholders' equity, %	n/a	n/a	n/a	n/a	14.6%	14.5%
Return on capital employed, %	n/a	n/a	n/a	n/a	12.5%	14.0%
Return on capital employed excluding goodwill, %	n/a	n/a	n/a	n/a	24.7%	30.1%
Average number of shares before dilution	23,883,935	24,083,935	23,931,033	24,083,935	24,007,484	24,072,325
Average number of shares after dilution	24,083,935	24,083,935	24,083,935	24,083,935	24,083,935	24,083,935
Earnings per share before dilution, SEK	2.79	2.43	2.35	2.30	6.35	6.31
Earnings per share after dilution, SEK	2.77	2.43	2.34	2.30	6.33	6.30
Shareholders equity per share before dilution, SEK	45.39	43.51	45.30	43.51	45.16	45.93
Shareholders equity per share after dilution, SEK	45.01	43.51	45.01	43.51	45.01	45.91
Operating cash flow per share before and after dilution, SEK	3.06	1.60	1.01	-1.10	9.60	7.47
Operating cash flow per share after dilution, SEK	3.04	1.60	1.00	-1.10	9.57	7.46
Number of shares before dilution	23,883,935	24,083,935	23,883,935	24,083,935	23,883,935	24,072,325
Number of shares after dilution	24,083,935	24,083,935	24,083,935	24,083,935	24,083,935	24,083,935

Condensed financial statements

Condensed consolidated statement of profit or loss and other comprehensive income

Amounts in SEKm unless otherwise stated	Q2 2019	Q2 2018	6M 2019	6M 2018	R12 2019	12M 2018
Net sales	889.0	736.1	1,458.3	1,210.1	2,927.9	2,679.7
Cost of goods sold	-651.3	-540.5	-1,088.1	-906.0	-2,182.0	-1,999.9
Gross profit/loss	237.8	195.6	370.2	304.1	745.9	679.7
Selling expenses	-100.6	-80.8	-195.3	-148.5	-369.2	-322.4
Administrative expenses	-48.3	-45.0	-92.8	-81.1	-172.7	-161.1
Research and development expenses	-1.3	0.8	-2.9	-3.5	-6.1	-6.7
Other operating income	2.4	1.5	4.3	3.5	8.1	7.3
Other operating expenses	-0.5	-0.2	-1.5	-0.4	-5.5	-4.5
Share of profit in associated companies	5.7	4.6	6.5	4.5	21.8	19.8
Operating profit/loss (EBIT)	95.3	76.5	88.7	78.6	222.2	212.1
Net finance items	-11.6	-5.2	-18.2	-9.1	-31.0	-21.9
Profit/loss before tax	83.6	71.3	70.5	69.6	191.2	190.3
Tax	-16.9	-12.7	-14.2	-14.1	-38.6	-38.5
Profit/loss after tax	66.7	58.6	56.2	55.5	152.6	151.8
Other comprehensive income						
Items that are or may be reclassified to profit/loss for the year						
Translation differences for the year in translation of foreign operations	12.1	11.8	28.2	51.3	9.3	32.4
Gains/losses on hedging of currency risk in foreign operations	0.0	1.5	-2.3	-5.5	-3.6	-6.8
Gains/losses on raw material hedging	-15.0	11.2	7.5	17.8	-7.0	3.2
Tax on gains/losses on comprehensive income	3.2	3.3	-1.1	3.5	-3.8	0.8
Total other comprehensive income after tax	0.2	27.9	32.3	67.0	-5.1	29.7
Total comprehensive income after tax	67.0	86.5	88.5	122.4	147.5	181.4
Profit/loss for the year, attributable to:						
Owners of the company	66.7	58.7	56.6	55.6	153.1	152.1
Non-controlling interests	0.0	-0.1	-0.4	-0.1	-0.5	-0.3
Total comprehensive income for the year, attributable to:						
Owners of the company	66.7	86.4	88.2	122.2	147.7	181.7
Non-controlling interests	0.2	0.1	0.3	0.2	-0.2	-0.3
Average number of shares before dilution	23,883,935	24,083,935	23,931,033	24,083,935	24,007,484	24,072,325
Average number of shares after dilution	24,083,935	24,083,935	24,083,935	24,083,935	24,083,935	24,083,935
Earnings per share before dilution, SEK	2.79	2.43	2.35	2.30	6.35	6.31
Earnings per share after dilution, SEK	2.77	2.43	2.34	2.30	6.33	6.30

Condensed consolidated balance sheet

Amounts in SEKm unless otherwise stated	30 Jun 2019	30 Jun 2018	31 Dec 2018
ASSETS			
Intangible assets	1,089.8	869.9	975.4
Tangible assets	414.9	227.9	268.1
Financial assets	90.9	47.9	64.0
Deferred tax assets	0.0	0.0	0.0
Other non-current assets	17.1	20.2	16.3
Total non-current assets	1,612.7	1,166.0	1,323.8
Inventories	407.9	334.8	345.8
Trade receivables	474.4	400.6	261.5
Receivables for on-going construction contracts	86.6	45.3	54.3
Tax assets	7.3	9.6	2.4
Other receivables	52.0	68.5	33.5
Cash and cash equivalents	80.1	51.0	105.6
Total current assets	1,108.3	909.8	803.2
TOTAL ASSETS	2,721.0	2,075.7	2,127.0
EQUITY AND LIABILITIES			
Share capital	30.0	30.0	30.0
Treasury shares	-15.6	0.0	-0.8
Reserves	82.5	80.5	50.9
Retained earnings including profit for the year	971.0	921.7	1,010.0
Equity attributable to owners of the Company	1,067.9	1,032.3	1,090.0
Non-controlling interests	16.2	15.7	15.6
Total equity	1,084.1	1,048.0	1,105.6
Non-current interest-bearing liabilities	890.2	421.7	416.3
Other non-current liabilities	39.4	44.0	38.1
Provisions	5.8	5.7	5.9
Deferred tax liabilities	81.7	60.8	75.2
Total non-current liabilities	1,017.1	532.2	535.4
Current interest-bearing liabilities	59.7	59.5	131.0
Trade payable	262.0	193.8	129.2
Payables for on-going construction contracts	19.7	0.0	15.5
Tax liabilities	17.7	16.8	11.7
Other current liabilities	260.7	225.6	198.5
Total current liabilities	619.8	495.6	485.9
TOTAL EQUITY AND LIABILITIES	2,721.0	2,075.7	2,127.0

Condensed consolidated statement of changes in equity

Specification of changes in equity (SEKm)	6M 2019	6M 2018	12M 2018
<i>Equity attributable to owners of the Company</i>			
Opening balance	1,090.0	1,009.4	1,009.4
Total comprehensive income	88.2	122.2	181.7
Transactions with non-controlling interest	0.0	-9.0	-10.0
Dividend	-95.5	-90.3	-90.3
Repurchase of treasury shares	-14.8	0.0	-0.8
Closing balance	1,067.9	1,032.3	1,090.0
<i>Equity attributable to non-controlling interest</i>			
Opening balance	15.6	0.5	0.5
Total comprehensive income	0.3	0.2	-0.3
Acquisitions	0.3	5.4	15.4
Transactions with the Group's owners	0.0	9.7	0.0
Closing balance	16.2	15.7	15.6
SUM TOTAL EQUITY, CLOSING BALANCE	1,084.1	1,048.0	1,105.6

Condensed consolidated cash flow statement

Amounts in SEKm unless otherwise stated	Q2 2019	Q2 2018	6M 2019	6M 2018	R12 2019	12M 2018
Operating activities						
Operating profit (EBIT)	95.3	76.5	88.7	78.6	222.2	212.1
Adjustment for non-cash items etc	19.8	13.5	36.9	28.1	47.7	38.9
Interest received	0.3	0.2	0.6	0.3	1.0	0.8
Interest paid	-5.6	-2.6	-10.6	-4.4	-16.8	-10.6
Dividends received	6.8	2.0	17.9	11.8	18.2	12.1
Income tax paid/received	-10.5	-8.2	-17.2	-20.4	-33.9	-37.2
Cash flow from operating activities before changes in working capital	106.0	81.3	116.3	94.1	238.3	216.1
Changes in working capital						
Increase (-)/Decrease (+) in inventories	2.5	5.7	-27.2	-53.2	-5.6	-31.5
Increase (-)/Decrease (+) in operating receivables	-152.3	-137.5	-226.6	-170.7	-57.6	-1.7
Increase (+)/Decrease (-) in operating liabilities	121.6	91.2	154.0	101.4	54.5	1.9
Cash flow from operating activities	77.8	40.6	16.5	-28.4	229.6	184.8
Investing activities						
Acquisition of intangible fixed assets	-1.6	-4.1	-4.9	-5.7	-19.4	-20.2
Acquisition of tangible fixed assets	-11.7	-8.4	-24.2	-16.9	-42.8	-35.5
Divestments of tangible fixed assets	0.0	0.0	1.0	0.0	1.1	0.2
Acquisition of business, net cash impact	-1.5	0.5	-48.3	-38.6	-237.8	-228.2
Acquisition of participations in associated companies	-35.4	-0.2	-35.7	-11.7	-43.3	-19.4
Change in other financial assets	0.0	-1.6	0.0	-0.4	-7.7	-8.1
Cash flow from investing activities	-50.3	-13.7	-112.0	-73.3	-349.9	-311.2
Financing activities						
Amortization of loans	-35.7	-19.3	-194.6	-22.1	-267.4	-95.0
Proceeds from loans	101.9	55.9	372.3	105.4	526.2	259.3
Purchase of own shares	0.0	0.0	-14.8	0.0	-15.6	-0.8
Dividend	-95.5	-90.3	-95.5	-90.3	-95.5	-90.3
Cash flow from financing activities	-29.3	-53.7	67.4	-7.1	147.6	73.2
Cash flow for the period	-1.8	-26.8	-28.1	-108.8	27.3	-53.3
Cash and cash equivalents at the beginning of the period	80.8	78.2	105.6	156.8	51.0	156.8
Exchange-rate differences in cash and cash equivalents	1.1	-0.4	2.7	3.0	1.8	2.1
Cash and cash equivalents at the end of the period	80.1	51.0	80.1	51.0	80.1	105.6

Notes

Note 1 – Accounting principles

The interim report is presented in accordance with IAS 34 “Interim Financial Reporting”, which has been approved by the EU, and additional Danish requirements relating to the disclosure of information for quarterly reports by listed companies. The Group applies IFRS (International Financial Reporting Standards), which have been adopted by the EU, and the Danish Annual Reports Act. In addition to the financial statements, disclosures in accordance with IAS 34.16A are also presented in other parts of the interim report. The accounting policies applied by the Group and Parent Company correspond to the accounting policies applied in the preparation of the most recent annual report, with the exceptions presented below regarding IFRS 16 Leases. In addition, the disclosure of Items affecting comparability is discontinued as from 2019.

IFRS 16 Leases replaces IAS 17 Leases and is applied as of January 1, 2019. The new standard entails that most leases will be recognized in the balance sheet (hence the difference between operational leases and financial leases is being removed). The Group assesses whether a contract is, or contains, a lease at the beginning of the agreement. The Group recognizes a right-of-use asset and a corresponding lease liability for all leases for which the Group is the lessee, except for short-term leases (leases with a maximum term of 12 months) and for leases in which the underlying asset is of low value. For leases that meet the criteria of exemption rules, the Group recognizes lease payments straight-line over the term of the lease. The lease liability is initially recognized at the present value of the future lease payments that have not been paid at the starting date of the lease, discounted by an incremental borrowing rate that is set quarterly at Group level by country.

Lease liabilities are included on the lines for interest-bearing liabilities in the consolidated balance sheet and are recognized in subsequent periods by the liability being increased to reflect the effect of interest and reduced to reflect the effect of lease payments made. Lease liabilities are restated by a corresponding adjustment of the right-of-use asset in accordance with the rules contained in the standard. The right-of-use asset is initially recognized at the value of the lease liability, with the addition of lease payments made on or before the initial date of the lease and initial direct payments. The right-of-use asset is recognized in subsequent periods at cost less amortization and impairment. Right-of-use assets are amortized over their anticipated useful life, or if it is shorter, over the agreed lease term. If a lease transfers ownership rights at the end of the lease term or if the cost includes the probably exercise of a call option, the right-of-use asset is amortized over its useful life. Amortization commences on the start date of the lease. Right-of-use assets are included on the line for tangible assets in the statement of financial position. The Group applies the principles in IAS 36 for the impairment of right-of-use assets and recognizes this in the same manner as described in the policies for property, plant and equipment recognized in accordance with IAS 16. Variable lease payments that are not dependent on an index or price are not included in the measurement of lease liabilities and right-of-use assets. Such lease payments are recognized as a cost in operating profit/loss in the periods as they arise. The Group applies a practical exemption that entails that service components are not separated from the lease payments for leases that do not pertain to asset classes for office and production premises, unless this is specifically stated in the invoice.

The Group has used the modified retroactive application approach (which means that comparison figures have not been recalculated). As per 1 January 2019, the Group has reported additional leasing liabilities of SEK 137 million, right-of-use assets of SEK 143 million, while prepaid leasing expenses were reduced by SEK 6 million. The right-of-use assets are reported as tangible non-current assets. For the period January-June 2019, EBITDA was positively affected by SEK 24 m, operating profit (EBIT) by SEK 1 m, and net income by SEK -1 m.

The financial statements are presented in SEK, rounded off to the nearest hundred thousand, unless otherwise stated. This rounding off process may mean that the total sum of the sub-items in one or more rows or columns does not match the total sum for the row or column.

Note 2 – Alternative key ratios

The Group presents certain financial measures in the interim report which are not defined according to IFRS. The Group considers these measures to provide valuable supplementary information for investors and the Company's management as they enable the assessment of relevant trends. Nordic Waterproofing's definitions of these measures may differ from other companies' definitions of the same terms. These financial measures should therefore be seen as a supplement rather than as a replacement for measures defined according to IFRS. Definitions of measures which are not defined according to IFRS and which are not mentioned elsewhere in the interim report are presented in the section "Definitions; Key performance indicators not defined according to IFRS".

Note 3 – Seasonality

Nordic Waterproofing's business is significantly affected by seasonal variations in the construction industry, where almost 60 percent of annual sales generally occur during the second and third quarters. The weakest period is the first quarter of the year, which, due to the winter, has accounted for approximately one-fifth of annual sales for the past three financial years. There is generally a planned inventory build-up, primarily of finished products, during the first six months of the year, which translates into a stock reduction during the third and fourth quarters as a result of increased activity in the market during the autumn. Veg Tech is the most weather dependent and also the most seasonal business, as deliveries and installation rarely take place during the winter months.

Note 4 – Risks and uncertainties

Nordic Waterproofing's business is subject to various risks, which can be divided into operating, financial and external risks. Operating risks include liability under warranties and product liability, key employees, disruptions in production, IT systems, intellectual property rights, product development, restructuring, acquisitions and integration, insurance, and corporate governance. Financial risks primarily include changes in exchange rates and interest rates, and risks relating to losses in respect of accounts receivable, liquidity risk, the capacity to raise capital, financial credit risk and risks relating to goodwill. External risks include risks relating to market trends, competition, prices of raw materials, political decisions, legal disputes, tax risks, environmental risks and weather conditions.

The management of risk at Nordic Waterproofing is based on a structured process for continually identifying and assessing risks, their likelihood and their potential impact on the Group. The focus is on identifying controllable risks and managing the risks to reduce the overall risk level for the business. The risks are described in the Group's 2018 Annual Report. Other than these risks and uncertainties, no significant additional risks or uncertainties have arisen.

Note 5 – Acquisitions of businesses

On 26 February 2019, Nordic Waterproofing Holding A/S's subsidiary Nordic Waterproofing Group AB acquired 100 percent of the shares in Distri Pond Group. Distri Pond is located in Belgium, with the two operating companies Distri Pond NV and Pond Technics & Training BVBA. The company is a leading distributor of pond systems in the Belgium market, with annual sales of approximately SEK 110 m and 23 employees. The purchase consideration amounts to EUR 11.3 m on cash and debt-free basis, and was primarily financed through an extension of Nordic Waterproofing's existing credit facilities. The acquisition is consolidated into the segment Products & Solutions as of February 2019.

The acquired companies' net assets on the acquisition date:

Acquisition analysis	Feb 2019
SEKm, unless otherwise stated	Distri Pond
Intangible assets	42
Tangible assets	12
Inventories	27
Trade and other receivables	20
Cash and equivalents	5
Other non-interest bearing liabilities	-29
Interest bearing liabilities	-60
Deferred tax liabilities	-13
Net assets and liabilities	4
Goodwill	59
Consideration	63
of which paid in cash	52
of which deferred, related to vendor note and earn-out	11

The acquisition analysis is finalized. Compared with the preliminary acquisition analysis, the goodwill decreased by while intangible assets and deferred tax liabilities increased due to the recognition of customer relations. Tangible assets and interest bearing liabilities include right-of-use assets and lease liabilities of SEK 9 m respectively.

Note 6 – Intangible assets

The Group's intangible assets have primarily arisen in connection with business acquisitions. Other intangible assets include capitalized expenses for software and R&D-projects.

Intangible assets, carrying amounts				Total
SEKm, unless otherwise stated	Goodwill	Customer relations	Other	
Opening balance, 1 January 2019	879	69	28	975
Investments	0	0	5	5
Acquisitions	61	42	0	103
Amortisation	0	-9	-2	-11
Exchange-rate differences	16	1	0	17
Closing balance, 30 June 2019	955	103	31	1,090

Note 7 – Financial instruments

Financial instruments measured at fair value in the balance sheet consist of financial derivatives used to hedge the price risk arising from highly probable future purchases of bitumen products. These are recognized in the balance sheet items "Other receivables" and "Other liabilities", and hedge accounting is applied. The fair value of these commodity derivatives has been established through a discount of the difference between the agreed price and future prices at the reporting date for the remaining contract period. As at 30 June 2019, the expected purchases of bitumen for delivery during July to December 2019 were hedged by means of derivatives, equivalent to 14,680 tons or approximately 37 percent of the expected annual purchasing volume (at the corresponding period the preceding year, the expected purchases of bitumen for delivery during January to December 2019 were hedged by means of derivatives, equivalent to 30,480 tons or approximately 76 percent of the expected annual purchasing volume). The fair value measurements belong to level 2 in the fair value hierarchy in IFRS 13.

Financial instruments SEKm, unless otherwise stated	Carrying amount		Fair value	
	30 Jun 2019	30 Jun 2018	30 Jun 2019	30 Jun 2018
Measurement level 2:				
Assets at fair value	11	29	11	29
Assets at acquisition cost	601	486	601	486
Liabilities at fair value	0	0	0	0
Liabilities at acquisition cost	1,158	731	1,158	731
Measurement level 3:				
Liabilities at acquisition cost	20	10	20	10
Liabilities at fair value	33	38	33	38

Note 8 – Operating segments

Nordic Waterproofing's business and the basis for division into segments are the various products or services delivered by each segment. The Group's operating segments consist of Products & Solutions and Installation Services. Products & Solutions relates to sales of both internally produced and externally purchased products and related services, and Installation Services comprises the Group's wholly-owned and partly-owned contracting operations within roofing. Group Items and Eliminations comprises parent company functions, including the treasury function, as well as the elimination of intra-group sales from Products & Solutions to Installation Services.

Information regarding net sales from external customers, EBITDA and operating profit (EBIT) broken down by segment is set out in the tables on page 11.

Inter-segment transfer pricing is determined on an arm's length basis, i.e. between parties that are independent of one another, are well informed and have an interest in the implementation of the transaction. Assets and investments are reported based on where the assets are located.

Amounts in SEKm unless stated otherwise	Products & Solutions		Installation Services		Group Items and Eliminations		Nordic Waterproofing Group	
	6M 2019	6M 2018	6M 2019	6M 2018	6M 2019	6M 2018	6M 2019	6M 2018
Revenues from external customers	1,086	890	373	320	0	0	1,458	1,210
Revenues from other segments	48	42	0	0	-48	-42	0	0
Revenues, total	1,134	932	373	320	-48	-42	1,458	1,210
EBITDA	143	120	18	11	-19	-19	142	111
Depreciation & Amortisation	-45	-29	-7	-3	-1	-1	-53	-33
Operating profit (EBIT)	98	91	11	8	-20	-20	89	79
Net finance items							-18	-9
Profit/loss after finance items but before tax (EBT)							70	70
Tax							-14	-14
Profit/loss for the year							56	55
<i>Assets</i>								
Intangible assets (goodwill & customer relations)	948	734	131	128	11	8	1,090	870
Property, plant and equipment	378	215	34	12	2	1	415	228
Participations in associated companies	0	0	82	37	0	0	82	37
Inventory	397	327	11	8	0	0	408	335
Other assets	548	437	153	141	-71	-43	630	535
Non-allocated assets					97	72	97	72
Total assets	2,272	1,713	410	325	39	37	2,721	2,076
<i>Liabilities and Equity</i>								
Equity					1,084	1,048	1,084	1,048
Other liabilities	495	397	115	94	-62	-66	548	425
Non-allocated liabilities					1,089	603	1,089	603
Total liabilities and equity	495	397	115	94	2,111	1,585	2,721	2,076
Investments in tangible & intangible assets	21	16	6	3	1	3	29	23

Note 10 – Transactions with related parties

The Group has related party relationships with the associated companies stated in Note 16 of the 2018 Annual Report. Transactions with related parties are priced on market terms. No transactions have taken place between Nordic Waterproofing and related parties that have materially affected the Group's financial position and results in the second quarter of 2019.

Definitions

Key performance indicator according to IFRS

Earnings per share	Profit after tax for the period attributable to parent company shareholders divided by the average number of outstanding shares for the period
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Key performance indicators not defined according to IFRS

Capital employed	Total assets less non-interest-bearing provisions and liabilities
EBIT	Operating profit
EBIT margin	EBIT as a percentage of net sales
EBITDA	Operating profit before depreciation, amortization and impairment of tangible and intangible assets
EBITDA margin	Operating profit before depreciation, amortization and impairment of tangible and intangible assets as a percentage of net sales
Equity/assets ratio	Shareholders' equity, including non-controlling interests, as a percentage of total assets
Gross margin	Gross profit as a percentage of net sales
Interest cover ratio	Profit after net financial items plus interest expenses in relation to interest expenses
Net debt	Interest-bearing liabilities less cash and cash equivalents
Net debt/EBITDA	Net debt in relation to EBITDA
Net debt/equity ratio	Net debt in relation to shareholders' equity
Operating cash conversion	Operating cash flow as a percentage of EBITDA
Operating cash flow	EBITDA plus dividends from associated companies, less cash flow related from investments in tangible and intangible assets, cash flow from changes in working capital and income from associated companies
Organic growth	Net sales growth adjusted for enterprises acquired and sold off and any exchange rate changes. No adjustments have been made for number of working days
R12	The most recent twelve months/rolling twelve-month period
Return on capital employed	EBIT as a percentage of average capital employed, calculated as the average of the period's opening and closing balances
Return on capital employed excluding goodwill	Operating profit (EBIT) as a percentage of average capital employed, excluding goodwill, calculated as the average of the period's opening and closing balances
Return on shareholders' equity	Profit after tax attributable to parent company shareholders as a percentage of average shareholders' equity, excluding non-controlling interests

Reconciliations

Key performance indicators not defined according to IFRS

	Q2 2019	Q2 2018	6M 2019	6M 2018	R12 2019	12M 2018
Capital employed						
Total assets	2,721	2,076	2,721	2,076	2,721	2,127
Other non-current liabilities	-39	-44	-39	-44	-39	-38
Provisions	-6	-6	-6	-6	-6	-6
Deferred tax liabilities	-82	-61	-82	-61	-82	-75
Trade payable	-262	-194	-262	-194	-262	-129
Payables for on-going construction contracts	-20	0	-20	0	-20	-15
Tax liabilities	-18	-17	-18	-17	-18	-12
Other current liabilities	-261	-226	-261	-226	-261	-199
Capital employed	2,034	1,529	2,034	1,529	2,034	1,653
EBITDA						
EBIT	95	76	89	79	222	212
Depreciation	23	8	44	16	64	36
Amortization	5	9	9	17	19	27
Impairment	-	-	-	-	-	-
EBITDA	124	94	142	111	305	274
Interest cover ratio						
Profit/loss before tax	84	71	70	70	191	190
Interest expenses	6	3	12	5	19	12
Total	90	74	82	74	210	202
Interest expenses	6	3	12	5	19	12
Interest cover ratio, multiple	14.4x	26.7x	6.9x	15.6x	11.2x	17.3x
Net debt						
Non-current interest-bearing liabilities	890	422	890	422	890	416
Current interest-bearing liabilities	60	59	60	59	60	131
Cash and cash equivalents	-80	-51	-80	-51	-80	-106
Net debt	870	430	870	430	870	442
Operating cash flow						
EBITDA	124	94	142	111	305	274
Share of profit in associated companies	-6	-5	-7	-5	-22	-20
Dividend from associated companies	7	2	18	12	18	12
Change in NWC	-38	-41	-100	-122	-9	-31
Investments in tangible assets & capitalized expenses	-13	-12	-29	-23	-62	-56
Operating cash flow	73	39	24	-27	230	180
Return on capital employed (ROCE)						
EBIT (R12)					222	212
Average capital employed ((OB+CB)/2)					1,782	1,512
Return on capital employed (ROCE), %	n/a	n/a	n/a	n/a	12.5%	14.0%
Return on capital employed (ROCE) excl goodwill						
EBIT (R12)					222	212
Average capital employed ((OB+CB)/2)					1,782	1,512
Goodwill ((OB+CB)/2)					881	806
Return on capital employed (ROCE) excl goodwill, %	n/a	n/a	n/a	n/a	24.7%	30.1%
Return on shareholders' equity						
Profit after tax attributable to parent company shareholders (R12)					153	152
Average shareholders' equity ((OB+CB)/2)					1,050	1,050
Return on shareholders' equity, %	n/a	n/a	n/a	n/a	14.6%	14.5%



About Nordic Waterproofing Group

Nordic Waterproofing is one of the leading providers in the waterproofing market in northern Europe. The Company provides high-quality products and solutions for waterproofing in Sweden, Finland, Denmark, Norway, Belgium, the Netherlands, Poland, the United Kingdom and Germany. Nordic Waterproofing also provides installation services through wholly-owned subsidiaries in Finland and through part-owned franchise companies in Denmark. The Company markets its products and solutions under several brands, all with an extensive heritage, most of which are among the most established and well-recognized brands in waterproofing in their respective markets, such as Matak, Trebolit, Phoenix Tag Materialer, Kerabit, Nortett, SealEco, Distri Pond, SPT-Painting, Taasinge Elementer, RVT and Veg Tech. Nordic Waterproofing Holding A/S is listed in the Mid Cap segment on Nasdaq Stockholm with the stock ticker NWG.

Business concept

Nordic Waterproofing develops, manufactures and distributes a full range of products and solutions for the protection of buildings and infrastructure.

Our products are characterized by high-quality design adapted to local climate conditions and building standards. Ease of installation, energy and environmental optimization are key components of our offer.

Our excellence in customer service builds on smart logistics, understanding our customers' present and future needs, and the exceptional responsiveness delivered by our team of highly motivated employees.

Financial calendar

Interim report, January-September 2019

31 October 2019

Further information can be obtained from

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This report contains forward-looking statements which are based on the current expectations of the management of Nordic Waterproofing. Even though management believes that the expectations reflected in these forward-looking statements are reasonable, no assurances can be given that these expectations will be realized. Therefore, the financial results may differ significantly from those indicated in the forward-looking statements due to, among other things, changes in economic, market-related and competition-related conditions, changes to rules and regulations and other governmental measures, exchange rate fluctuations and other factors.

