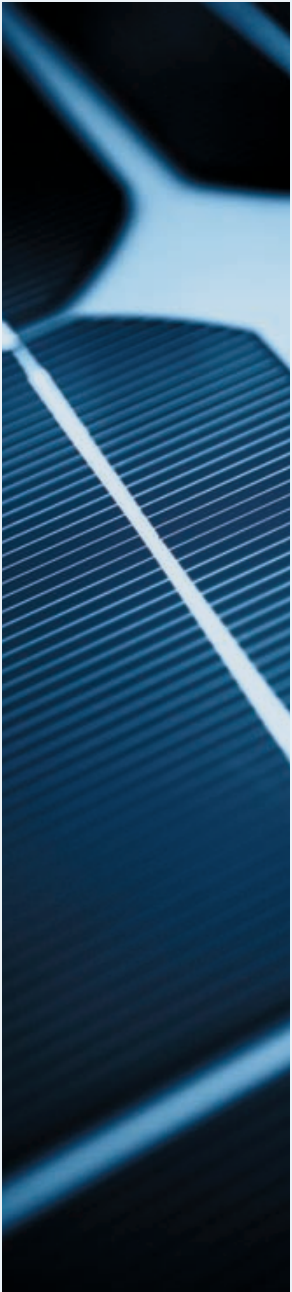


solar

*stronger together*

Q1 / 2008



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Quarterly report for Q1 2008 for Solar A/S reg. no. 15908416 is published in Danish and English on 23 May 2008 via OMX The Nordic Exchange Copenhagen. In the case of any discrepancy between the Danish and English versions, the Danish version shall prevail.

# Financial highlights

## Consolidated

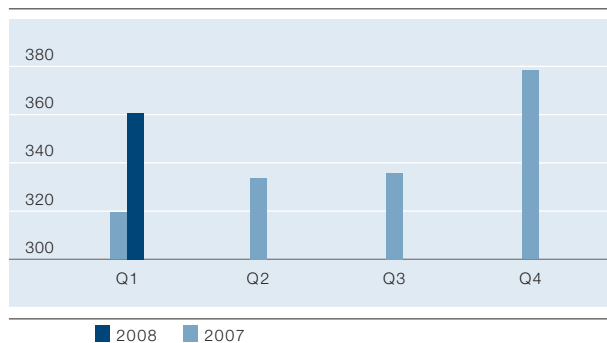
	Q1		Year
	2008	2007	2007
<b>Financial and operating data of income statement (€ million)</b>			
Revenue	360.8	319.4	1,367.2
Earnings before interest, tax and amortisation (EBITA)	15.3	17.5	77.3
Earnings before interest and tax (EBIT)	13.6	16.3	71.2
Items under financial income and expenses, net	-1.8	-0.5	-5.6
Earnings before tax (EBT)	11.8	15.8	65.6
Net profit for the period	8.3	11.1	47.5
Earnings per share in € per share outstanding (EPS)	1.20	1.59	6.82
Earnings excl. amortisation per share in € per share outstanding	1.44	1.77	7.70
<b>Financial and operating data of balance sheet (€ million)</b>			
Total assets	562.2	483.7	542.8
Net investments in property, plant and equipment	3.0	5.2	13.8
Share capital outstanding	92.4	93.5	93.3
Equity	231.9	206.9	229.0
Interest-bearing liabilities	150.1	124.8	151.7
<b>Financial and operating data for cash flow (€ million)</b>			
Cash flow from operating activities	11.3	14.8	54.6
Cash flow from investing activities	-3.0	-5.2	-59.3
Cash flow from financing activities	-6.6	-1.8	25.5
<b>Financial ratios (% unless otherwise stated)</b>			
Revenue growth	13.0	25.8	27.2
Organic growth	6.7	18.1	15.3
Earnings before interest, tax and amortisation (EBITA)	4.2	5.5	5.7
Earnings before interest and tax (EBIT)	3.8	5.1	5.2
Operating margin	2.3	3.5	3.5
Return on equity (ROE)	14.4	22.0	22.3
Return on equity (ROE) excl. amortisation	17.4	24.4	25.2
Return on invested capital (ROIC)	9.7	13.7	13.1
Return on invested capital (ROIC) excl. amortisation	11.5	15.2	14.7
Enterprise value/EBITA (EV/EBITA)	9.1	11.3	8.6
Equity ratio	41.2	42.8	42.2
Intrinsic value in € per share outstanding	33.6	29.7	32.9
Share price in €	59.7	97.2	74.3
Share price / intrinsic value	1.77	3.27	2.26
Share price in DKK	445	725	554
<b>Employees</b>			
Average number of employees (FTE)	2,786	2,515	2,658

# Outline

## Q1

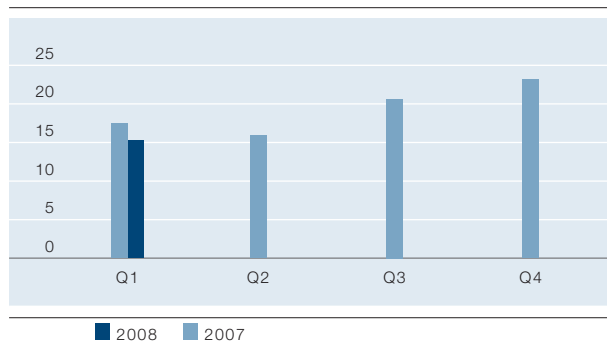
In Q1, revenue rose to € 360.8m, equating to a rise of 13%. Organic growth amounted to 6.7%. Adjusted for the number of working days, organic growth totalled 11%.

Revenue in € million



EBITA decreased by 13% to € 15.3m.

EBITA in € million



EBT decreased by 25% to € 11.8m and net profit for the period decreased by 25% to € 8.3m.

The fact that Easter fell in March 2008 compared to April last year had a negative effect on revenue and earnings for Q1 2008.

Earnings per outstanding share decreased by 25% to € 1.20.

With continuing high market activity, revenue and profit were in line with expectations.

## Expectations for 2008

Solar maintains the expectation of revenue for 2008 of € 1,500m with EBITA of € 86m.

## Strategic initiatives in Q1

Based on the company programme New Solar 2010, Q1 focused on strategic initiatives within the three areas of Growth, Efficiency and People.

Geographical expansion continues with new branches in several countries and more acquisitions. Further development within current and new product areas has contributed to Q1's high growth.

Efforts to define a new SGS strategy (IT/ERP) have been initiated and this is expected to be completed in Q3.

New HR group tools were launched at the end of Q1. The aim is to establish personal targets and promote the development of the individual employee.

”Adjusted for the number of working days, Solar achieved 11% organic growth in Q1.”

# Group report

## Q1 2008

### Revenue

Q1 revenue increased by € 41.4m to € 360.8m, equating to revenue growth of 13%. Organic growth amounted to 6.7%. Adjusted for the fact that Easter fell in March this year against April last year, organic growth totalled 11%.

Revenue distribution was as follows:

	Revenue in € million		Organic growth in %*	
	Q1 2008	Q1 2007	Q1 2008	Q1 2007
Solar Danmark A/S	113.6	105.3	8	17
Solar Sverige AB	73.6	52.7	6	26
Solar Norge AS	57.2	47.1	18	30
Solar Nederland B.V.	58.6	56.0	5	7
Solar Deutschland GmbH	34.4	34.9	-2	10
Solar Suomi Oy	4.6	4.9	-7	3
Solar Polska Sp. z o.o.	5.2	4.4	8	52
P/F Solar Føroyar	1.8	1.7	8	43
Aurora Group	14.5	14.8	-3	21
Eliminations	-2.7	-2.4		
<b>Total</b>	<b>360.8</b>	<b>319.4</b>	<b>7</b>	<b>18</b>

\* When calculating organic growth, no adjustments have been made for the number of working days.

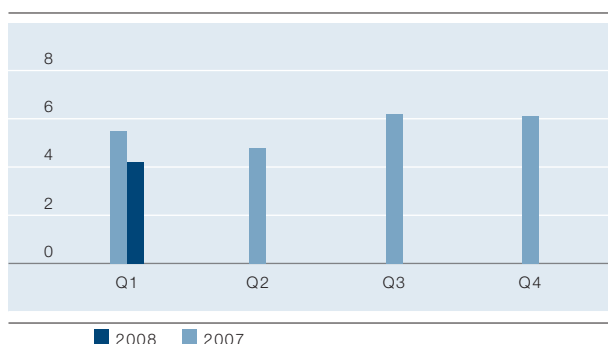
Growth remains at a high level and revenue for Q1 was at the expected level.

### EBITA

EBITA decreased by 13% to € 15.3m, i.e. 4.2% of revenue. Compared to Q1 2007, rising freight costs impacted EBITA in percentage of revenue negatively by 0.5 percentage points.

The development in EBITA in % of revenue over the past 5 quarters is as follows:

#### EBITA in % of revenue



### EBT and net profit for the period

EBT decreased by 25% to € 11.8m, i.e. 3.3% of revenue. Net profit for the period also decreased by 25% to € 8.3m.

Net profit for Q1 2008 was affected by amortisation of € 1.7m against € 1.2m in Q1 2007. Adjusted for amortisation, pre-tax profit decreased by 21% and net profit for the period by 19%.

The fact that Easter fell in March this year against April last year had a negative impact on revenue and earnings for Q1 2008.

The result was at the expected level.

### Net profit per share

Net profit per outstanding share decreased by 25% to € 1.20.

### Investments

In Norway, Solar, in 2007, embarked on the construction of a new administration building adjacent to the central warehouse in Gardermoen. The building is expected to be commissioned in Q3 2008.

In Q1, the group made investments of € 3.0m in fixed assets.

### Cash flow

Cash flow from operating activities totalled € 11.3m for the period. As at 31 March 2008, working capital amounted to 17.0% of expected revenue for 2008.

Cash flow from investing activities totalled € -3.0m for Q1 2008 against € -5.2m for Q1 2007.

In Q1 2008, cash flow from financing activities was negatively affected by the purchase of treasury shares by € -4.1m and totalled € -6.6m against € -1.8m for Q1 2007.

### **Incentive scheme for leading employees**

As described in Solar's announcement no. 12 in February 2008, the Supervisory Board decided to set up an incentive scheme for leading employees in the Solar group. Announcement no. 24 stated that the number of options totals 35,592, the exercise price was fixed at DKK 424.33 and the market value of the issued options was calculated at € 0.3m.

### **Key risks**

Annual Report 2007 outlines Solar's commercial and financial risks. The most important risk is that Solar, like other international companies, is affected by global economic trends and by local economic trends in markets where the group is represented.

Solar is continually expanding its business foundation and has, therefore, reduced its exposure to economic changes in the construction industry.

## **STRATEGIC INITIATIVES**

Based on the New Solar 2010 company programme, Q1 focused on strategic initiatives within the three areas of Growth, Efficiency and People.

Within the overall cross-disciplinary group concepts, the following can be accentuated:

### **Growth**

The implementation of IWS, our new way of optimising cooperation with our customers, proceeds as planned in all countries. In all countries, a significant effort has also been initiated to further increase E-business' share of orders.

### **Efficiency**

The implementation of Solar Lean Way proceeds as planned. Pilot projects have been completed in Denmark,

Sweden, Norway and at corporate headquarters. Furthermore, Lean master plans for the coming years' efforts have been established in the 3 countries mentioned above. The other companies' Lean implementation has been scheduled and proceeds as planned. Optimisation of Net Working Capital (NWC) proceeds according to the plans laid down in the autumn of 2007 which include all companies.

### **People**

Solar Academy is engaged in competency development in the entire group. In 2008, focus is on Lean and English, but the effort in some companies has been intensified concerning competence development within good leadership, talent development and specialist competences. 3 new Solar values SmartFun, Glow and Courage have been chosen and a new tool for employee performance appraisals, Solar STAR, was ready for launch at the end of Q1.

## **STATUS ON THE DEVELOPMENT IN THE INDIVIDUAL SUBSIDIARIES**

### **Solar Danmark A/S**

Activity levels in the Danish market remain high.

The focus on development of current and new product areas is contributing to the high organic growth. The company's total share of E-business orders is continually increasing and approaching 60%. Especially noteworthy is the development within HWS where the share of E-business orders now amounts to almost 40%.

The implementation of Lean has been received very positively by the employees and the first results are promising.

The significantly stronger focus on optimising energy consumption in buildings has increased the market potential for Netcontrol which was launched in 2007 and enables control of all functions in a building via IP technology.

# Group report

## Solar Sverige AB

In Q1, Solar continued preparing for the geographical expansion which began in 2007. Two plumbing and sanitation branches in Stockholm and one in Malmö will be opened during the year.

Lean implementation continually proceeds satisfactorily and the first results in Sweden are also very promising.

The development programme Solar Success has been initiated with focus on strengthening the leadership competences of a number of leaders in the company.

In general, the Swedish market registered a high level of activity. We are satisfied with the organic growth – and, especially, with the development in the plumbing and sanitation segment during Q1.

The merger of Alvesta V.V.S. – Material AB and Solar Sverige AB was completed on 30 April.

## Solar Norge AS

Activity levels within industry, offshore, tele and industrial construction remain high. We have noted a decline in new residential construction. The overall development within new construction as a whole is, however, still positive. Deliveries to Hafslund, which operates primarily within the energy sector, began in March.

As part of the New Solar 2010 company programme, the processing of supplier invoices has been transferred to the group's new Shared Service Centre.

By establishing temporary premises at Gardermoen, the move from Oslo has now been completed and all main office and central functions, including the central warehouse, have now been centralised in Gardermoen.

The new administration building is expected to be commissioned in Q3.

## Solar Nederland B.V.

For the company's planned future logistics solution, Solar Nederland B.V. has taken an option to acquire land in Zevenaar approx. 20 km south east of Arnhem.

The company expects to sign the final contract for a new administration building and a new central warehouse before the end of Q3 2008. The new central warehouse will support future growth expected through greater geographical coverage within the entire product portfolio. Consequently, a new joint sales organisation for the entire product range was introduced at the beginning of Q1. The company is currently looking for more employees, primarily with qualifications within plumbing and sanitation.

Activity levels in the market have been strong and Solar Nederland's new organisation got off to a good start in the new year.

## Solar Deutschland GmbH

Market development was negatively affected by reduced private consumption. A further decrease in new housing construction was not anticipated. By contrast, industry continues to see high activity levels. The company maintains the geographical expansion initiated in 2007. There is strong focus on building competences and all employees have now participated in team building activities.

## Solar Suomi Oy

Market activity remains good. The adjustment of Solar Suomi's business continues and steps have been taken to ensure high skills levels in the sales team. The process has started – but it takes time.

### **Solar Polska Sp. z o.o.**

As stated in announcement no. 36, the company has started negotiations concerning the acquisition of shares in the Polish company Eltomont Sp. z o.o. The implementation is subject to general conditions. If the acquisition is accomplished, Solar Polska will strengthen its market position in southern Poland significantly.

Activity levels in the market continue to be high and this is reflected in the satisfactory growth in Q1.

### **P/F Solar Føroyar**

Solar Føroyar continues its positive development. Market development, however, is not expected to remain at the current extremely high level. Difficulties of finding new employees with qualifications within plumbing and sanitation have delayed the introduction.

### **Aurora Group**

Decreasing private consumption which has also hit parts of the Nordic market for consumer electronics has had a negative impact on Q1 revenue from accessories for consumer electronics. Efforts to find a solution to the future central warehouse structure continue as planned.

### **EXPECTATIONS FOR 2008**

As described in Annual Report 2007, shortage of labour in a number of countries is expected to limit growth. We are seeing a certain relief in some areas, but in others, the market remains tough.

In Q4 2007 as well as in Q1 2008, the group experienced significantly increasing freight costs. Continually increasing freight costs may affect the group's 2008 results negatively. Uncertainties surrounding future financing opportunities for new construction, especially in Denmark, make it more difficult to foresee the development. Consequently, there is more uncertainty regarding the development than was the case last year.

In general, our assessment of the market is – despite the growing liquidity crisis in the financial sector in Q1 – largely unchanged from the beginning of the quarter, which we regard as a positive sign. The group's strong market position and the commitment to the development of the business offer Solar strong opportunities of maintaining revenue growth in 2008. To ensure continued growth, 2008 will also see geographical expansion through the establishment of a range of new foreign branches. The potential for further acquisitions will also be explored. Some one-off costs relating to business development and the establishment of branches are expected.

In spite of increased uncertainties and increasing freight costs, we continue to expect revenue of € 1,500m for 2008 with EBITA of € 86m.

**”Solar continues to expect revenue of € 1,500m for 2008 with EBITA of € 86m.”**

# Group report

## SOLAR'S SHARES

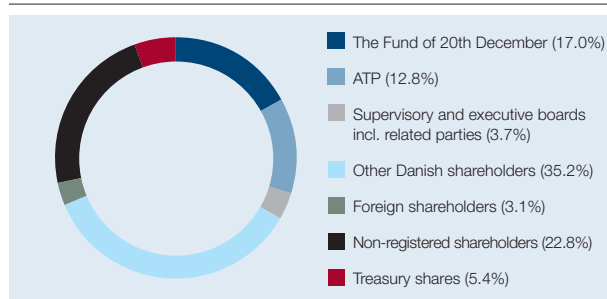
Solar's share capital consists of nominally € 12.1m A shares and nominally € 85.6m B shares.

As at 31 March 2008, the following shareholders had registered ownership shares or voting rights of 5% or more of the total share capital:

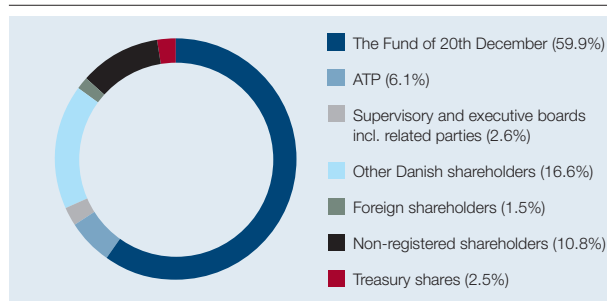
### Shares and votes

	Shares	Votes
The Fund of 20th December, Kolding	17.0%	59.9%
Arbejdsmarkedets Tillægspension, Hillerød	12.8%	6.1%
Solar A/S, Kolding (treasury shares)	5.4%	2.5%

### Distribution of share capital as at 31 March 2008



### Distribution of votes as at 31 March 2008



## Treasury shares

As in 2007, Solar initiated a share buy-back programme of up to € 6.7m for the period between 11 March 2008 and 10 April 2008. Following the completion of the share buy-back on 10 April 2008, Solar's portfolio of treasury shares totalled 397,945 B shares, equating to 5.5% of the share capital.

Between 15 April 2008 and 23 April 2008, Solar purchased treasury shares for € 4.0m and subsequently initiated a new share buy-back programme of up to € 2.7m which ran from 25 April 2008 to 22 May 2008.

The holding of treasury shares is maintained as a cash reserve in connection with possible future acquisitions, for hedging of the share option plan, or a possible decrease of the share capital.

## Price development

As at 31 March, the price of Solar's B share was DKK 445 against DKK 554 at the beginning of the year.

### Share price development (index)



## Financial calendar 2008

23 July – 20 August	IR quiet period
20 August	Quarterly report Q2 2008
21 October – 18 November	IR quiet period
18 November	Quarterly report Q3 2008

The presentation of the Q2 2008 report will be transmitted online from OMX The Nordic Exchange Copenhagen on 20 August, 2008 at 11 a.m. and can be followed at [www.solar.eu](http://www.solar.eu).

## Announcements 2008 excl. insider announcements

Dato	No.	Announcement
31.03	24	Issue of options to leading employees
31.03	23	Share buy-back
25.03	22	Notice of Annual General Meeting
25.03	20	Share buy-back
17.03	19	Share buy-back
11.03	17	Implementation of new programme for share buy-back
11.03	16	Annual Report 2007
05.03	15	Share buy-back
05.03	14	Change to financial calendar
03.03	13	Share buy-back
25.02	12	Establishment of option plan for leading employees
25.02	11	Result for 2007 and new expectations for 2008
25.02	10	Share buy-back
18.02	9	Share buy-back
11.02	8	Share buy-back
04.02	7	Share buy-back
28.01	6	Share buy-back
24.01	5	New Chief Executive Officer in Aurora Group
21.01	4	Share buy-back
14.01	3	Share buy-back
07.01	2	New Corporate IT Director in Solar A/S
07.01	1	Share buy-back

## ACCOUNTING POLICIES

The quarterly report for Solar A/S has been prepared in accordance with IAS 34 "Interim Financial Reporting" as approved by the EU and additional Danish disclosure requirements for quarterly reports of listed companies.

The accounting policies remain unchanged from the Annual Report 2007 which contains a full description of the accounting policies on pages 44-50.

Key items in the accounts are based on annual contracts etc. A prudent assessment of the current year's activities was undertaken during the preparation of the quarterly report.

In the quarterly report, corporation tax has been calculated on the basis of pre-tax profits at the expected tax rate. No assessment of the taxable income for the period has been made.

No audit or review of the quarterly report has been conducted.

# Management's statement

Today, the Supervisory Board and Executive Board have discussed and approved the quarterly report for Q1 for Solar A/S.

The quarterly 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 disclosure requirements for interim reports of listed companies.

It is our opinion that the quarterly report gives a true and fair view of the group's assets, liabilities and financial position as at 31 March 2008 and of the results of the group's activities and cash flows for Q1 2008.

Furthermore, it is our opinion that group report contains a true statement of the development of the group's activities and financial situation, the result of the period and a description of the most significant risks and uncertainties the group is faced with.

Kolding, 23 May 2008

## **Executive Board**

Flemming H. Tomdrup  
CEO

## **Supervisory Board**

Jens Borum  
(Chairman)

Peter Falkenham  
(Vice-chairman)

Kent Arentoft

Niels Borum

Remy Cramer

Bent H. Frisk

Preben Jessen

Aase Kofoed

Carsten H. Ørssleff

# Income statement

## Consolidated

€ million	Q1		Year
	2008	2007	2007
<b>Revenue</b>	<b>360.8</b>	<b>319.4</b>	<b>1,367.2</b>
Cost of sales	-282.3	-248.4	-1,072.7
<b>Gross profit</b>	<b>78.5</b>	<b>71.0</b>	<b>294.5</b>
External operating costs	-16.6	-13.9	-55.2
Staff costs	-43.6	-37.0	-152.2
Loss on trade receivables	-1.0	-0.5	-1.7
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>17.3</b>	<b>19.6</b>	<b>85.4</b>
Depreciation on property, plant and equipment	-2.0	-2.1	-8.1
<b>Earnings before interest, tax and amortisation (EBITA)</b>	<b>15.3</b>	<b>17.5</b>	<b>77.3</b>
Amortisation of intangible assets	-1.7	-1.2	-6.1
<b>Operating profit before special items</b>	<b>13.6</b>	<b>16.3</b>	<b>71.2</b>
Special items, net	0.0	0.0	0.0
<b>Earnings before interest and tax (EBIT)</b>	<b>13.6</b>	<b>16.3</b>	<b>71.2</b>
Financial income	1.0	1.4	4.9
Financial costs	-2.8	-1.9	-10.5
<b>Earnings before tax (EBT)</b>	<b>11.8</b>	<b>15.8</b>	<b>65.6</b>
Corporation tax	-3.5	-4.7	-18.1
<b>Net profit for the period</b>	<b>8.3</b>	<b>11.1</b>	<b>47.5</b>
Earnings in € per share outstanding (EPS)	1.20	1.59	6.82
Diluted earnings in € per share outstanding (EPS-D)	1.20	1.59	6.82

# Balance sheet

## Consolidated

€ million	As at 31 March		At year-end
	2008	2007	2007
<b>ASSETS</b>			
Intangible assets	49.0	21.8	50.5
Property, plant and equipment	126.6	114.0	125.7
Investments	0.7	1.6	0.7
<b>Fixed assets</b>	<b>176.3</b>	<b>137.4</b>	<b>176.9</b>
Inventories	156.0	133.2	154.7
Trade receivables	213.2	195.5	196.9
Corporation tax receivable	5.1	1.3	2.2
Other receivables and prepayments	5.8	7.7	7.4
Cash at bank and in hand	5.8	8.6	4.7
<b>Current assets</b>	<b>385.9</b>	<b>346.3</b>	<b>365.9</b>
<b>Total assets</b>	<b>562.2</b>	<b>483.7</b>	<b>542.8</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	97.7	97.7	97.7
Reserves	-1.4	-2.1	-0.1
Retained earnings	118.0	95.4	113.8
Proposed dividend	17.6	15.9	17.6
<b>Equity</b>	<b>231.9</b>	<b>206.9</b>	<b>229.0</b>
Interest-bearing liabilities	76.0	32.8	77.4
Provision for pension obligations	3.8	4.4	3.9
Provision for deferred tax	15.1	8.1	15.2
Other provisions	0.0	0.1	0.0
<b>Non-current liabilities</b>	<b>94.9</b>	<b>45.4</b>	<b>96.5</b>
Interest-bearing liabilities	74.1	92.0	74.3
Trade payables	113.7	90.2	95.7
Corporation tax payable	6.2	7.3	4.3
Other payables and prepayments	41.2	41.0	42.8
Other provisions	0.2	0.9	0.2
<b>Current liabilities</b>	<b>235.4</b>	<b>231.4</b>	<b>217.3</b>
<b>Liabilities</b>	<b>330.3</b>	<b>276.8</b>	<b>313.8</b>
<b>Total equity and liabilities</b>	<b>562.2</b>	<b>483.7</b>	<b>542.8</b>

# Statement of changes in equity / Treasury shares

## Consolidated

€ million	Q1		Year
	2008	2007	2007
<b>STATEMENT OF CHANGES IN EQUITY</b>			
<b>Equity at the beginning of the financial year</b>	<b>229.0</b>	<b>196,4</b>	<b>196,4</b>
Foreign currency translation adjustment at the beginning of the year	0.0	0.0	0.0
Foreign currency translation adjustment of foreign subsidiaries	-0.2	-0.6	0.4
Value adjustment of hedging instruments before tax	-1.0	0.0	1.1
Tax of value adjustments	-0.1	0.0	-0.1
Net income recognised directly in equity	-1.3	-0.6	1.4
Net profit for the period	8.3	11.1	47.5
<b>Total income for the period</b>	<b>7.0</b>	<b>10.5</b>	<b>48.9</b>
Distribution of dividend	0.0	0.0	-15.9
Purchase of treasury shares	-4.1	0.0	-0.4
<b>Other movements</b>	<b>-4.1</b>	<b>0.0</b>	<b>-16.3</b>
<b>Equity at the end of the period</b>	<b>231.9</b>	<b>206.9</b>	<b>229.0</b>
which can be specified as follows:			
Share capital	97.7	97.7	97.7
Reserves	-1.4	-2.1	-0.1
Retained earnings	118.0	95.4	113.8
Proposed dividend	17,6	15.9	17.6
<b>Equity at the end of the period</b>	<b>231.9</b>	<b>206.9</b>	<b>229.0</b>
<b>TREASURY SHARES</b>			
<b>Holding at the beginning of the financial year in number of shares</b>	<b>323,400</b>	<b>318,400</b>	<b>318,420</b>
Purchase in the period	66,395	0	5,000
Sale in the period	0	0	0
<b>Holding at the end of the period in number of shares</b>	<b>389,795</b>	<b>318,400</b>	<b>323,420</b>
<b>Holding at the end of the period in %</b>	<b>5.4</b>	<b>4.4</b>	<b>4.5</b>
Acquisition cost at the beginning of the financial year	16.2	15.9	15.9
Purchase in the period	4.1	0.0	0.4
Sale in the period	0.0	0.0	0.0
Foreign currency translation adjustment in the period	0.1	0.0	-0.1
<b>Acquisition cost at the end of the period</b>	<b>20.4</b>	<b>15.9</b>	<b>16.2</b>
<b>Nominal value at the end of the period</b>	<b>5.3</b>	<b>4.2</b>	<b>4.4</b>
<b>Market value at the end of the period</b>	<b>23.3</b>	<b>30.9</b>	<b>24.0</b>

The holding of treasury shares is maintained as a cash reserve in connection with possible future acquisition of enterprises, for hedging of the share option plan, or a possible decrease of the share capital.

In compliance with authority granted at the general meeting, the company can acquire treasury shares until the annual general meeting in 2009. All treasury shares are held by the parent company.

# Cash flow statement

## Consolidated

€ million	Q1		Year
	2008	2007	2007
<b>Net profit for the period</b>	<b>8.3</b>	<b>11.1</b>	<b>47.5</b>
Depreciation and amortisation	3.7	3.3	14.2
Change in provisions and other adjustments	-0.1	0.0	-1.1
Financials, net	1.8	0.5	5.6
Corporation tax	3.5	4.7	18.1
Financials, net, paid	-1.8	-0.5	-6.0
Corporation tax, paid	-4.5	-2.9	-20.0
<b>Cash flow before change in working capital</b>	<b>10.9</b>	<b>16.2</b>	<b>58.3</b>
Change in inventories	-1.3	5.2	-4.2
Change in receivables	-14.7	-23.1	-15.5
Change in non-interest-bearing liabilities	16.4	16.5	16.0
<b>Cash flow from operating activities</b>	<b>11.3</b>	<b>14.8</b>	<b>54.6</b>
Net investments in intangible assets	0.0	0.0	0.0
Net investments in property, plant and equipment	-3.0	-5.2	-13.8
Net investments in other investments	0.0	0.0	0.9
Acquisition of subsidiaries	0.0	0.0	-46.4
<b>Cash flow from investing activities</b>	<b>-3.0</b>	<b>-5.2</b>	<b>-59.3</b>
Raising of non-current interest-bearing liabilities	0.0	0.0	51.5
Repayment of non-current interest-bearing liabilities	-1.4	-1.8	-10.7
Dividend paid	0.0	0.0	-15.9
Purchase and sale of treasury shares	-4.1	0.0	-0.4
Other items	-1.1	0.0	1.0
<b>Cash flow from financing activities</b>	<b>-6.6</b>	<b>-1.8</b>	<b>25.5</b>
<b>Total cash flow</b>	<b>1.7</b>	<b>7.8</b>	<b>20.8</b>
Cash at beginning of period	-69.6	-91.4	-91.4
Taken over in connection with acquisition of subsidiaries	0.0	0.0	0.0
Foreign currency translation adjustments	-0.4	0.2	1.0
<b>Cash at end of period</b>	<b>-68.3</b>	<b>-83.4</b>	<b>-69.6</b>
Cash at end of period:			
Cash at bank and in hand	5.8	8.6	4.7
Current interest-bearing liabilities	-74.1	-92.0	-74.3
<b>Cash at end of period</b>	<b>-68.3</b>	<b>-83.4</b>	<b>-69.6</b>

# Acquisition of subsidiaries

## Consolidated

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### Q1 2008

No subsidiaries have been acquired or divested in the period.

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### Q1 2007

No subsidiaries have been acquired or divested in the period.

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### 2007

As at 1 May 2007, Solar Sverige AB acquired 100% of the share capital and voting rights in the Swedish enterprise Alvesta V.V.S. – Material AB. Please refer to note 27 in the consolidated accounts in Annual Report 2007 for further details concerning the acquisition.

# Quarterly figures

## Consolidated

	Q1		Q2		Q3		Q4	
	2008	2007	2007	2006	2007	2006	2007	2006
<b>Financial and operating data for the income statement (€ million)</b>								
Revenue	360.8	319.4	333.6	257.3	335.9	256.1	378.3	307.2
Earnings before interest, tax and amortisation (EBITA)	15.3	17.5	15.9	11.4	20.7	19.4	23.2	18.6
Operating profit before special items	13.6	16.3	14.4	11.4	19.0	19.4	21.5	18.3
Special items, net	0.0	0.0	0.0	2.9	0.0	0.0	0.0	-0.1
Earnings before interest and tax (EBIT)	13.6	16.3	14.4	14.3	19.0	19.4	21.5	18.2
Financials, net	-1.8	-0.5	-1.4	-0.5	-1.3	-0.7	-2.4	-0.6
Earnings before tax (EBT)	11.8	15.8	13.0	13.8	17.7	18.7	19.1	17.6
Net profit for the quarter	8.3	11.1	9.6	9.9	12.7	13.5	14.1	11.8
Earnings per share in € per share outstanding (EPS)	1.20	1.59	1.38	1.40	1.82	1.94	2.03	1.68
Earnings excl. amortisation per share in € per share outstanding	1.44	1.77	1.59	1.40	2.07	1.94	2.27	1.74
<b>Financial and operating data for the balance sheet (€ million)</b>								
Total assets	562.2	483.7	574.5	405.1	580.5	422.3	542.8	464.7
Net investments in property, plant and equipment	3.0	5.2	2.7	0.5	0.4	5.4	5.5	2.2
Share capital outstanding	92.4	93.5	93.6	93.4	93.4	93.4	93.3	93.4
Equity	231.9	206.9	202.7	171.5	216.8	183.6	229.0	196.4
Interest-bearing liabilities	150.1	124.8	196.0	110.4	184.7	97.5	151.7	133.8
<b>Financial and operating data for cash flow (€ million)</b>								
Cash flow from operating activities	11.3	14.8	-8.4	1.0	13.1	15.9	35.1	0.9
Cash flow from investing activities	-3.0	-5.2	-50.8	0.2	0.5	-5.0	-3.8	-27.3
Cash flow from financing activities	-6.6	-1.8	34.9	-43.3	-2.4	16.7	-5.2	-2.3
<b>Financial ratios (% unless otherwise stated)</b>								
Revenue growth	13.0	25.8	29.7	14.9	31.2	16.3	23.1	20.1
Organic growth	6.7	18.1	17.9	14.6	16.3	16.5	10.2	17.9
Earnings before interest, tax and amortisation (EBITA)	4.2	5.5	4.8	4.4	6.2	7.6	6.1	6.1
Earnings before interest and tax (EBIT)	3.8	5.1	4.3	5.6	5.7	7.6	5.7	5.9
Operating margin	2.3	3.5	2.9	3.8	3.8	5.3	3.7	3.8
Return on equity (ROE)	14.4	22.0	18.8	21.1	24.2	30.4	25.3	24.8
Return on equity (ROE) excl. amortisation	17.4	24.4	21.7	21.1	27.5	30.4	28.4	25.5
Return on invested capital (ROIC)	9.7	13.7	10.3	14.6	13.2	19.8	16.1	14.6
Return on invested capital (ROIC) excl. amortisation	11.5	15.2	11.8	14.6	14.8	19.8	17.8	15.0
Enterprise value/EBITA (EV/EBITA)	9.1	11.3	14.0	13.2	9.3	8.3	7.2	10.6
Equity ratio	41.2	42.8	35.3	42.3	37.3	43.5	42.2	42.3
Intrinsic value in € per share outstanding	33.6	29.7	29.1	24.6	31.1	26.4	32.9	28.2
Share price in €	59.7	97.2	100.3	71.6	85.1	80.1	74.3	95.5
Share price/intrinsic value	1.77	3.27	3.44	2.91	2.73	3.04	2.26	3.39
Share price in DKK	445.0	725	746	534	634	597	554	712
<b>Employees</b>								
Average number of employees (FTE)	2,786	2,515	2,646	2,236	2,712	2,267	2,764	2,409

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