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Sanistål A/S rejects the criticism of the Danish Financial Supervisory Authority (Finanstilsynet)

The company management does not consider the Danish Securities Trading Act to have been violated.

On Monday 1 December 2008, the Danish Securities Council discussed the position submitted by the Danish Financial Supervisory Authority that the provisions of the Danish Securities Trading Act relating to the duty of disclosure were violated in connection with Sanistål A/S's announcement of the financial results for 2007, that had been brought forward and issued on 5 February 2008. In conformity with the new rules that took effect in July of this year, the Danish Financial Supervisory Authority announced that the Authority had filed a police report for the purpose of assessing whether some of the information in Sanistål A/S's announcement should have been issued at an earlier date. If this becomes the conclusion, Sanistål A/S could be ordered to pay a penalty.

The Board of Sanistål A/S considers that the company has complied with the duty of disclosure:

The announcement of 5 February 2008 had been brought forward by seven weeks and was issued at the same time as the relevant figures and other information for the Group were available with reasonable certainty. Had the announcement been issued at an earlier date, it would have been incomplete and subject to great uncertainty with the subsequent risk of providing erroneous information.

The Danish Financial Supervisory Authority acknowledges that a significant part of the downgraded forecast contained in Sanistål A/S's announcement could not have been known before 5 February 2008. This applies to the approx. DKK 30 million that chiefly concern the financial result for Carl F A/S. The criticism involves two other factors:

- Two downgraded forecasts in November and December 2007 for Brødrene A&O Johansen A/S, of which Sanistål A/S owns 39% of the share capital.

Comments of the Board:

The downgraded forecasts did not affect the market price because there was a conditional sale of the controlling interest in Brødrene A&O Johansen A/S, which meant that Sanistål A/S was expected to divest its shareholding for DKK 550 million. It was known in the market that in so doing Sanistål A/S could earn a profit of approx. DKK 100 million.

As a result of this, the financial result of Brødrene A&O Johansen A/S had absolutely no bearing on the share price in Sanistål A/S.

*The Danish Financial Supervisory Authority admits that the downgraded forecasts **were themselves hardly of a nature that could affect the share price of Sanistål A/S.***

- Increased logistics costs in the company's parent company of approx. DKK 10 million.

Comments of the Board:

On 14 January 2008, the Board learned that logistics costs in the parent company would be higher by approx. DKK 10 million, but did not assess that this by itself gave cause to issue a corrective stock exchange announcement. At this time, a number of data and closing transactions and decisions had yet to be made which could have had both a negative and positive effect.

*The Danish Supervisory Financial Authority disagreed with the assessment and asserts **that the anticipated consolidated financial result should have been adjusted to include the logistics-cost deviation as early as 14 January 2008 – and not, as it occurred, on 5 February 2008, when the Carl F results and the consolidated results had been accounted for with reasonable certainty.***

Knud Erik Borup, Chairman of the Board of Sanistål A/S, states:

“What we are actually being accused of involves whether we should have notified the market on 14 January 2008 that the parent company Sanistål A/S would have higher logistics costs in the amount of DKK 10 million.

Needless to say, DKK 10 million is a lot of money, but Sanistål A/S generates total earnings of DKK 6–7 billion, and on the basis of an overall assessment of the factors on 14 January 2008, we did not believe that increased logistics costs could affect the market price.

Therefore, even if the Danish Supervisory Financial Authority takes a different view of this, in my opinion, filing a police report is a far too drastic reaction.

We have submitted a thorough account of this matter and accordingly expect a quick decision, and have no further comments as long as the case is being reviewed.”

Any queries concerning this announcement can be directed to Knud Erik Borup, Chairman of the Board in Sanistål A/S, tel. +45 4580 0701.

Aalborg, Denmark, 2 December 2008