

Announcement 2008 no. 09
Aalborg, Denmark, 26 April 2008

INTERIM REPORT

***FOR
Q1 2008***

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Sanistål 

SUMMARY FOR Q1 2008

The Board of Directors of Sanistål A/S has today approved the company's accounts for the period 1 January to 31 March 2008.

During the period, Sanistål A/S achieved a loss before tax of DKK -12.5 million compared with a profit before tax of DKK 58.0 million for the same period in 2007. The expectations to the quarterly result were a modest profit, but the result is lower than expected due to a negative "Steel Price development" and a negative result in the subsidiary Carl F International A/S, which was not included in the result in Q1 2007.

The interim accounts are characterised by features including:

- The Sanistål Group's revenue growth was DKK 265.8 million, representing an increase of 19.3 %, compared to the same period in 2007. 3.4 % of this is organic growth.
- The Construction Industry and Other Industry segments achieved satisfactory growth and increased market share, but the Carl F segment experienced recession. The integration of Carl F's carpentry/joinery segment into the parent company progressed according to plan.
- Subsidiaries contributed a loss before tax of DKK 7.7 million to the results for the period, compared to a profit before tax of DKK 8.0 million in the same period in 2007. Carl F International A/S achieved an unsatisfactory loss before tax of DKK 10.5 million, while the financial results of the other subsidiaries were a combined profit before tax of DKK 2.8 million.
- The reorganisation into a new logistics structure with two central warehouses is progressing according to schedule. Logistical expenses as a proportion of gross profit were at the same level in Q1 2008 as in Q4 2007. Logistical expenses adjusted for the increase in the level of activity rose by around DKK 20 million compared with Q1 2007.
- A negative "Steel price development ¹⁾", compared to the same period in 2007, totalled DKK 5.3 million. An overall positive "Steel price development" is expected for 2008.
 - 1) "Steel price development" is defined as the difference between earnings on steel in the current year end earnings on steel in the preceding year (the base year), with the calculation for both years being based on the quantity for the base year.
- Earnings per share (EPS) after tax totalled DKK -19.90, compared to DKK 87.60 per share in the same period in 2007.

Outlook for the year 2008

Management continues to expect that a limited increase in revenue can be achieved in the 2008 financial year.

Profit before tax is now expected to be in the region of DKK 20-50 million.

The change in expectations for profit before tax from those stated in the 2007 annual report, where the profit before tax was estimated at DKK 60-90 million, is the result of lower expectations for revenue and gross profit at subsidiary Carl F International A/S, as well as of the costs of a managerial change and restructuring at this subsidiary.

Aalborg, Denmark, 26 April 2008

Knud Erik Borup
Chairman

Christian B. Lund
Managing Director

FINANCIAL HIGHLIGHTS AND KEY RATIOS FOR THE GROUP

DKK millions	Q1 2008	Q1 2007	2007
Financial highlights:			
Results:			
Net revenue	1,645.6	1,379.8	6,333.3
Gross profit	413.5	325.1	1,586.9
Earnings before interest, tax and amortisation (EBITA)	11.8	63.3	119.5
Operating profit (EBIT)	9.0	62.8	110.7
Net financial items	-21.5	-4.8	-64.5
Profit/loss before tax	-12.5	58.0	46.2
Profit/loss for the period	-9.4	41.8	33.0
Cash flows:			
Cash flow from operation activities	41.5	-81.8	-104.1
Cash flow from investment activities	-75.4	-29.2	-1,319.9
Free cash flows	-33.9	-111.0	-1,424.0
Investment in tangible fixed assets	69.7	28.6	398.8
Balance sheet:			
Non-current assets	1,929.3	558.6	1,865.2
Current assets	2,337.7	1,919.6	2,235.2
Total assets	4,267.0	2,478.2	4,100.4
Shareholders' equity	945.5	1,020.5	966.9
Interest-bearing debt	2,517.8	806.7	2,486.9
Non-interest-bearing debt	803.7	651.0	646.6
Total liabilities and shareholders' equity	4,267.0	2,478.2	4,100.4
Share capital	192.4	192.4	192.4
Key ratios:			
EBITA margin %	0.7	4.6	1.9
EBIT margin (profit margin) %	0.5	4.6	1.7
Earnings per share after tax (EPS), DKK, basic*	-19.9	88.0	17.4
Earnings per share after tax (EPS), DKK, diluted *	-19.9	87.6	17.3
Cash flow per share (CFPS), DKK	22.1	-42.9	-54.5
Return on invested capital (ROIC) %*	1.6	14.4	5.1
Return on equity %*	-3.9	16.7	3.4
P/E ratio *	Neg.	11.8	36.1
Price/book value ratio	1.0	1.9	1.2
Market price per DKK 100 nominal share	482.5	1,038.9	626.5
Book value per DKK 100 nominal share	503.4	536.8	514.8
Equity ratio %	22.2	41.2	23.6

*) The key ratio is calculated on an annual basis.

STATEMENT BY THE BOARD OF DIRECTORS AD THE BOARD OF MANAGEMENT

The Board of Directors and Board of Management have on this date considered and approved the interim report for the period 1 January – 31 March 2008.

The interim report is not audited or reviewed, and has been prepared in accordance with IAS 34 "Presentation of interim reports" as approved by EU and additional Danish disclosure requirements for the preparation of interim reports for listed companies.

We are of the opinion that the interim report gives a true and fair view of assets, liabilities and financial position of the Group as at 31 March 2008 and the financial results from the Group's activities and cash flow for the period 1 January – 31 March 2008.

We are also of the opinion that the Management Report contains a true and fair report of the developments in the Group's activities and financial circumstances, the results for the period and the Group's financial position as a whole and a description of the major risks and uncertain factors facing the Group.

Aalborg, Denmark, 26 April 2008

Board of Management:

Christian B. Lund

Ole Graversen

Henning Vilslev

Board of Directors:

Knud Erik Borup
Chairman

Steen Gede
Deputy Chairman

Ole Steen Andersen

Ole Enø Jørgensen

Jens Ole Klitgaard

Else L. Kristensen

Jens Jørgen Madsen

Walther V. Paulsen

Matthias Max Schön

Peter Vagn-Jensen

MANAGEMENT REPORT

Sanistål's business concept

The Sanistål Group is a knowledge-based service company whose ultimate purpose is reliable delivery, know-how and products in the company's business areas.

Sanistål delivers service primarily to customers in the fields of construction, manufacturing and trades, as well as to public institutions. The Group's main activities comprise consultancy services and the distribution of services in the fields of HVAC, Steel & Metal, Tools, Machinery and Technical Products, as well as integrated supply and logistics solutions

Financial review

During this financial period the Sanistål Group generated revenue of DKK 1,645.6 million, an increase of DKK 265.8 million (19.3 %) compared to the same period last year.

The increase is mainly attributable to the acquisition of Carl F.

The loss before tax for the period was DKK -12.5 million, compared to a profit before tax of DKK 58.0 million in the same period in 2007.

The Group's profit before tax in the Interim Report compared to the same period in 2007, corrected for the negative "Steel price development" and unusual items, reflects the following trend:

	Q1 2008	Q1 2007	Variance
DKK millions			
Group pre-tax profit	-12.5	58.0	-70.5
Steel price development"	5.3	-	5.3
Impact on profits of the acquisition of Carl F	18.6	-	18.6
Impact on profits of Brødrene A&O Johansen A/S	-0.9	-	-0.9
Comparable profit	10.5	58.0	-47.5

The reorganisation into a new logistics structure with 2 central warehouses is progressing according to schedule. Logistical expenses as a proportion of gross profit were at the same level in Q1 2008 as in Q4 2007. Logistical expenses adjusted for the increase in the level of activity rose by around DKK 20 million compared with Q1 2007, which is at expected levels. The level of logistical expenses will decrease during the rest of the year as a result of the successive closing down of old warehouses in Q2 and a gradual increase in efficiency at the warehouse in Billund. Other expenses have increased as expected during Q1 2008, as the cost adjustments will not take effect until the second half of 2008.

The consolidated balance sheet total is DKK 4,267.0 million, compared to DKK 2,478.2 million at the end of March 2007. The growth in the balance sheet total is attributable to the acquisition of the subsidiary Carl F, the acquisition of 39.12 % of the share capital in Brødrene A&O Johansen A/S, major capital investments and activity-based and structural increases in current assets.

As at 31 March 2008, equity totalled DKK 945.5 million, a decrease of DKK 21.3 million compared to the end of 2007. This decrease is primarily attributable to the period's loss after tax (DKK -9.4 million) and the negative value adjustment of hedging instruments (DKK 10.3 million). The equity ratio is 22.2 %, compared to 23.6 % at the end of 2007.

Cash flow from operations was DKK 41.5 million, compared to DKK -81.8 million for the same period in 2007. Cash flow was positively affected by smaller increases than normal in inventories and accounts receivable in Q1 of the financial year.

Cash flow for investment activities was DKK 75.4 million, which is mainly attributable to the work in progress to establish a central warehouse for steel products in Taulov.

Sanistål's financing continues to be arranged in such a way that the company has significant credit facilities available.

Group structure

The Sanistål Group consists of the parent company, Sanistål A/S, and the wholly owned subsidiaries Carl F International A/S, Serman & Tipsmark A/S, Max Schön AG (Germany and Poland), Sanistal SIA (Latvia), Sanistal OÜ (Estonia) and UAB Sanistal (Lithuania).

Profit trend for the Group, Q1 2008 (Q1 2007)

DKK millions	Net revenue	Gross profit	Other operating income	Expenses	Profit before tax
Sanistål A/S, parent company	1,344.6	315.4	0.3	320.5	-4.8
Sanistål A/S, parent company	1,187.7	275.6	0.4	226.0	50.0
Carl F International A/S	104.8	45.9	1.3	57.7	-10.5
Serman & Tipsmark A/S	26.6	7.5	-	5.9	1.6
Serman & Tipsmark A/S	30.0	7.5	-	5.2	2.3
Max Schön AG, Germany/Poland	100.0	24.4	1.1	21.6	3.9
Max Schön AG, Germany/Poland	91.9	23.5	1.0	19.8	4.7
The Baltic States	90.9	20.3	0.3	23.3	-2.7
The Baltic States	89.8	18.5	-	17.5	1.0
Elimination of intra-group transactions	-21.3	-	-0.3	-0.3	-
Elimination of intra-group transactions	-19.6	-	-0.3	-0.3	-
Subsidiaries	301.0	98.1	2.4	108.2	-7.7
Subsidiaries	192.1	49.5	0.7	42.2	8.0
Sanistål Group	1,645.6	413.5	2.7	428.7	-12.5
Sanistål Group	1,379.8	325.1	1.1	268.2	58.0

Sanistål A/S, parent company

Revenue in the parent company totalled DKK 1,344.6 million, which is DKK 156.9 million or 13.2 % more than last year. The main reason for this growth is the fact that the Danish wholesale arm of Carl F has been merged with the parent company Sanistål A/S with effect from 1 April 2007. The Construction Industry and Other Industry segments also achieved growth and increased market share.

The integration of the Carl F segment was completed on 1 February 2008, which means among other things that the Carl F segment is using Sanistål A/S's IT platform, Carl F's Danish shops are under the responsibility of the parent company's retail management, the logistics functions are combined under one management with common distribution and the administrative functions have also been combined. Integration has progressed as planned.

Gross profit increased by DKK 39.8 million compared to the same period in 2007, totalling DKK 315.4 million. The gross profit margin increased by 0.3 percentage points to 23.5 %.

Total operating expenses were DKK 320.5 million, representing an increase of DKK 94.5 million (of which DKK 41.7 million relates to the Carl F segment) or 41.8 % compared to the same period in 2007. The main reasons for this increase are:

- the level of activity, measured in terms of the development in gross profits on Stocks/Drop shipments adjusted for the "Steel price development", rose by 18.6 %;
- during Q1 2008, logistical expenses, including those relating to the Carl F segment, increased by DKK 34.0 million compared with the same period in 2007;

- **Electrical Technology:** in 2006, Sanistål created a new business area in the field of electrical items. As expected, this new area had a negative impact on profit in Q1 2008.

The parent company's operating profit (EBIT) decreased by DKK 40.4 million to DKK 12.7 million.

The parent company's loss before tax was DKK -4.8 million, compared to a profit before tax of DKK 50.0 in the same period in 2007.

Incentives programme:

In mid-April 2008, a final determination was made of the number of share options earned in respect of 2007. The number of options earned was 7,400 (of which 3,197 by the Board of Management) at an exercise price of 517.99.

With 2008 as the earning year, options can be granted to the Board of Management and senior executives in the Group for acquiring shares with a total maximum market value of DKK 8.0 million, of which 50 % is profit-related. Final determination will take place in April 2009 on the basis of results achieved in 2008 and on the basis of the market value for ten days after the publication of the 2008 annual report.

The fair value (Black-Scholes) of outstanding share options as at 31 March 2008 was DKK 3.1 million (of which DKK 1.5 million for the Board of Management).

Subsidiaries

Developments in the Danish subsidiaries

Carl F International A/S

Carl F International A/S carries out the sale and marketing of d line, other architect-designed products, locks and access control products in Scandinavia and fittings for the door and window industry, primarily in the UK.

Carl F International A/S has achieved unsatisfactory results in Q1 2008. Revenue was DKK 104.8 million and results before tax showed a deficit of DKK 10.5 million. From 1 February 2008, the subsidiary has implemented a new standard ERP platform. The implementation of this system caused considerable disruption to operations, which has had a negative impact on revenue. In addition, results in the Danish lock businesses, although improved, remain negative.

On 1 April 2008, Thomas Folmann, former Head of the Construction Industry segment at Sanistål A/S, took up his position as the new CEO of Carl F International A/S. This change of management has gone well. Strategic and restructuring processes have been initiated at Carl F International A/S. The change in management and restructuring costs will have a negative impact on results for 2008.

Serman & Tipsmark A/S

Serman & Tipsmark A/S develops, manufactures and markets customised hydraulic solutions. Revenue in the interim accounts totalled DKK 26.6 million (2007: DKK 30.0 million), with a profit before tax of DKK 1.6 million (2007: DKK 2.3 million). The subsidiary has a good order book.

Developments in the foreign subsidiaries

Max Schön AG, Germany and Poland

The activities of the Max Schön Group include business areas Steel & Pips, Tools, Machinery and Technical Products.

Revenue totalled DKK 100.0 million (2007: DKK 91.9 million), with a profit before tax of DKK 4.0 million (2007: DKK 4.7 million). The development is very satisfactory.

The Baltic States

Revenue in the Baltic States in the interim accounts totalled DKK 90.9 million (2007: DKK 89.8 million), with a loss before tax of DKK -2.7 million (2007: DKK 1.0 million profit). The trend in Latvia continues to be very satisfactory, while the subsidiary in Lithuania continued to expand its shop network and organisation in Q1 2008. The Baltic States are affected by decreasing economic growth and by inflation. Costs are increasing considerably owing to large rises in wage levels.

Associated company: Brødrene A&O Johansen A/S

In June 2007, Sanistål A/S acquired 39.12 % of the shares in the listed company Brødrene A&O Johansen A/S. As Sanistål A/S controls 20.69 % of the votes in Brødrene A&O Johansen A/S, the company is treated for accounting purposes as an associated company. Based on the profit before tax of DKK 60 million reported by Brødrene A&O Johansen A/S for 2008, 39.12 % of a quarter of the anticipated profit after tax for 2008 is included in the interim accounts, which corresponds to DKK 4.4 million before financing costs.

Brdr. A&O Johansen A/S notified the Copenhagen Stock Exchange on 7 November 2007 that it had entered into a conditional share transfer agreement through which J-F. Lemvigh-Müller Holding A/S would acquire 14.21 % of the share capital and 54.62 % of the votes in Brødrene A&O Johansen A/S. The price for ordinary shares is DKK 3,750 per DKK 100 share, and the price for preference shares is DKK 2,500 per DKK 100 share.

Furthermore, it was announced that – provided that the agreement is implemented – J-F. Lemvigh-Müller Holding A/S is obligated to make a compulsory offer to purchase the shares of the remaining shareholders of Brødrene A&O Johansen A/S.

J-F. Lemvigh-Müller Holding A/S and Sanistål A/S entered into a conditional agreement on 14 April 2008 concerning J-F. Lemvigh-Müller Holding A/S's purchase of 223,005 preference shares in Brødrene A&O Johansen A/S at a price of DKK 2,500 per share.

The transfer of shares is conditional on the Danish Competition Council approving the purchase by J-F. Lemvigh-Müller Holding A/S of all ordinary shares in Brødrene A&O Johansen A/S no later than 30 April 2008.

Sanistål A/S's preference share holding in Brødrene A&O Johansen A/S has a book value of DKK 455.8 million.

If the transfer takes place, Sanistål A/S will realise a profit before financial costs and tax of DKK 101.7 million, which corresponds to the previously reported profit less Sanistål A/S's expected share of profits in Q1 2008.

Outlook for future economic development

In the 2007 annual report, the management described its expectations for results in the 2008 financial year as follows:

“Management expects to be able to achieve a limited increase in revenue and earnings per share (EPS) in the order of DKK 24-36 in 2008, corresponding to a profit before tax in the order of DKK 60-90 million.”

- Carl F International A/S is not, however, expected to achieve increased revenue or a profit in 2008. Based on the loss before tax reported in Q1 2008 of DKK -10.5 million, a revised estimate for revenue and gross profits for the rest of the year, costs relating to a change of CEO and the fact that the subsidiary is undergoing a strategic and restructuring process in Q2 and Q3, a loss before tax in the region of DKK -30 million is expected.
- Expectations for activities in the parent company's segments and at the other subsidiaries remain unchanged.
- Cost reductions have been implemented at the parent company, with a full annual effect of DKK 35 million. In 2008, the effect is estimated to be DKK 20-25 million.

The Group is expected to achieve profit before tax of around DKK 20-50 million, compared with the previous forecast of DKK 60-90 million. The forecast profit for the year corresponds to earnings per share (EPS) of DKK 8-20.

CONSOLIDATED INCOME STATEMENT

DKK thousands	Note	Q1 2008	Q1 2007
Net revenue		1,645,552	1,379,791
Cost of goods sold		-1,232,081	-1,054,735
Gross profit		413,471	325,056
Other operating income		2,666	1,115
Other external expenses		-145,989	-95,355
Staff costs		-241,712	-155,531
Operating profit before depreciation		28,436	75,285
Depreciation and write-downs		-19,463	-12,473
Operating profit (EBIT)		8,973	62,812
Share of profit after tax in associated companies		4,401	-
Financial income		6,412	5,277
Financial expenses		-32,260	-10,054
Profit/loss before tax		-12,474	58,035
Tax on profit/loss for the period		3,119	-16,250
Profit/loss for the period		-9,355	41,785
Average number of shares		1,923,784	1,923,784
Average number of own shares		45,440	23,993
Average number of shares, basic		1,878,344	1,899,791
Diluting effect of outstanding share options		2,031	8,166
Average number of shares, diluted		1,880,375	1,907,957
Earnings per share after tax (EPS), basic		-19.92	87.98
Earnings per share after tax (EPS), diluted		-19.90	87.60

CONSOLIDATED CASH FLOW STATEMENT

DKK thousands	Note	Q1 2008	Q1 2007
Operating profit (EBIT)		8,973	62,812
Adjustment for non-liquid operating items etc.:			
Depreciation and write-downs		18,463	12,473
Total provisions		-1,211	-
Other operating items		325	410
Exchange rate adjustments, etc.		-1,992	-1,155
Interest income, paid		6,412	5,277
Interest expenses, paid		-32,260	-10,054
Cash flow from operating activities before changes in working capital		-290	69,763
Changes in accounts receivable		-100,365	-151,322
Changes in inventories		-2,840	-120,195
Changes in trade accounts payable and other debt commitments		158,672	130,829
Corporation tax paid		-13,695	-10,894
Cash flow from operating activities		41,482	-81,819
Acquisition of intangible assets		-4,667	-60
Acquisition of tangible assets		-69,723	-28,562
Acquisition of associated companies		-206	-
Other non-current assets		-740	-541
Cash flow from investment activities		-75,336	-29,163
Free cash flows		-33,854	-110,982
Debt financing:			
Repayments to credit institutions		-1,993	-3,697
Proceeds from borrowing		23,887	-
Drawings on operating lines of credit		8,948	116,102
Shareholders:			
Sale of shares to employees		-	450
Cash flow from financing		30,842	112,855
Cash flow for the period		-3,012	1,873
Cash and cash equivalents as at 1 January		38,546	13,759
Cash and cash equivalents as at 31 March		35,534	15,632

The figures in the cash flow statement cannot be derived exclusively from the published accounting records.

CONSOLIDATED BALANCE

DKK thousands	Note	31 March 2008	31 December 2007	31 March 2007
ASSETS				
Non-current assets				
Intangible assets				
Goodwill		359,540	355,080	32,563
Brand names		118,750	120,312	-
Customer base		22,500	23,125	-
Software		6,311	6,733	3,371
		507,101	505,250	35,934
Tangible assets				
Land and buildings		462,969	460,395	393,817
Plant and machinery, fixtures and fittings		232,371	216,782	121,798
Tangible assets under construction		257,855	219,131	-
		953,195	896,308	515,615
Other non-current assets				
Investments in associated companies		455,827	451,220	-
Property rental deposits		13,141	12,401	7,040
		468,968	463,621	7,040
Total non-current assets		1,929,264	1,865,179	558,589
Current assets				
Inventories		1,278,729	1,275,889	1,094,042
Accounts receivable		920,222	841,787	786,385
Prepayments and accrued income		35,076	26,911	10,891
Corporation tax		55,522	35,553	-
Cash and cash equivalents		35,534	38,546	15,632
Assets held for sale		12,675	16,486	12,675
Total current assets		2,337,758	2,235,172	1,919,625
TOTAL ASSETS		4,267,022	4,100,351	2,478,214

CONSOLIDATED BALANCE

DKK thousands	Note	31 March 2008	31 December 2007	31 March 2007
LIABILITIES				
Shareholders' equity				
Share capital		192,378	192,378	192,378
Reserve for hedging transactions		3,920	14,244	7,190
Exchange rate adjustment reserve		-4,887	-2,895	-4,878
Retained profit		744,737	753,767	787,775
Proposed dividend		9,392	9,392	37,992
Total shareholders' equity		945,540	966,886	1,020,457
Liabilities				
Long-term liabilities				
Deferred tax		65,642	65,928	24,518
Total provisions		-	-	8,340
Credit institutions		858,324	936,965	415,840
		923,966	1,002,893	448,698
Short-term liabilities				
Credit institutions		1,652,544	1,542,820	383,081
Trade accounts payable and other debt commitments		726,265	567,593	607,696
Corporation tax		-	-	3,876
Total provisions		11,789	13,000	6,660
Liabilities related to assets held for sale		6,918	7,159	7,746
		2,397,516	2,130,572	1,009,059
Total liabilities		3,321,482	3,133,465	1,457,757
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,267,022	4,100,351	2,478,214

STATEMENT OF SHAREHOLDERS' EQUITY – GROUP

	Share capital	Reserve for hedging transactions	Exchange rate adjustment reserve	Retained profit	Proposed dividend	Total
Shareholders' equity as at 1 January 2007	192,378	6,541	-3,723	745,130	37,992	978,318
Exchange rate adjustment, foreign subsidiaries			-1,155			-1,155
Value adjustment of hedging instruments		1,043				1,043
Value adjustment transferred to financial income		-142				-142
Tax on equity movements		-252				-252
Share-based remuneration				410		410
Net gains recognised directly in equity		649	-1,155	410		-96
Profit for the year				41,785		41,785
Total earnings		649	-1,155	42,195		41,689
Sale of own shares in connection with incentives programme				450		450
Total equity movements	-	649	-1,155	42,645	-	42,139
Shareholders' equity as at 31 March 2007	192,378	7,190	-4,878	787,775	37,992	1,020,457

STATEMENT OF SHAREHOLDERS' EQUITY – GROUP

	Share capital	Reserve for hedging transactions	Exchange rate adjustment reserve	Retained profit	Proposed dividend	Total
Shareholders' equity as at 1 January 2008	192,378	14,244	-2,895	753,767	9,392	966,886
Exchange rate adjustment, foreign subsidiaries			-1,992			-1,992
Value adjustment of hedging instruments		-13,016				-13,016
Value adjustment transferred to financial income		-749				-749
Tax on equity movements		3,441				3,441
Share-based remuneration				325		325
Net gains recognised directly in equity		-10,324	-1,992	325		-11,991
Profit for the year				-9,355		-9,355
Total earnings		-10,324	-1,992	-9,030		-21,346
Sale of own shares in connection with incentives programme						
Total equity movements	-	-10,324	-1,992	-9,030	-	-21,346
Shareholders' equity as at 31 March 2008	192,378	3,920	-4,887	744,737	9,392	945,540

NOTES - GROUP

Note 1 - Accounting policies

This interim report has been produced in accordance with IAS 34 "Interim Financial Reporting" as approved by the EU and additional Danish disclosure requirements for the interim reports of listed companies.

The accounting policies applied are the same as those used in the 2007 annual report.

The 2007 annual report contains a full description of the accounting policies applied.

Note 2 - Segmental reporting

tkr.	Construc- tion Industry	Steel Industry	Other Industry	Carl F	Carl F Inter- national	Non- allocated	Group
Activities – primary segment Q1 2008 (Q1 2007)							
Net revenue	457.934	600.851	366.464	115.525	104.778	-	1.645.552
Net revenue	416.465	607.482	355.844	-	-	-	1.379.791
Gross profit	110.206	97.860	117.481	41.985	45.939	-	413.471
Gross profit	104.921	106.275	113.860	-	-	-	325.056
Other operating income	-	-	-	-	1.312	1.354	2.666
Other operating income	-	-	-	-	-	1.115	1.115
Profit Brødrene A&O Johansen A/S	-	-	-	-	-	4.401	4.401
Profit Brødrene A&O Johansen A/S	-	-	-	-	-	-	-
External expenses	30.759	13.999	28.849	12.682	22.855	62.693	171.837
External expenses	20.652	13.571	22.496	-	-	43.413	100.132
Staff costs	48.808	21.502	46.498	21.224	33.199	70.481	241.712
Staff costs	39.960	20.689	41.108	-	-	53.774	155.531
Depreciation/amortisation	1.151	602	1.874	295	1.709	13.832	19.463
Depreciation/amortisation	949	641	1.514	-	-	9.369	12.473
Segment contribution	29.488	61.757	40.260	7.784	-10.512	-141.251	-12.474
Segment contribution	43.360	71.374	48.742	-	-	-105.441	58.035

The comparative figures are adjusted to actual distribution of customers in the segments and to allocation of the expenses in the retail network to the segments.