

13.12.2007

Translation

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Announcement no. 12/2007

DLH acquires yet another Swedish business

Summary: DLH is set to take over the Swedish business of Palma Byggrossisten AB, which is well positioned in the Swedish timber merchant market for sheet materials in the northern part of Sweden. Palma Byggrossisten AB has annual revenue of approximately DKK 100 million and will further consolidate DLH's market position in the Nordic countries.

The acquisition

DLH has concluded an agreement on the acquisition of the 47-year-old Swedish business, Palma Byggrossisten AB, Sundsvall, which is situated 400 km north of Stockholm. The company, which has 17 employees, is involved in the importation and distribution of sheet materials and building materials to the Swedish timber merchant market, primarily north of Stockholm. The acquisition will take effect on 1 February 2008 subject to the approval of the Swedish competition authorities.

Palma Byggrossisten AB will be incorporated into DLH's Timber & Board Division, reporting to the group's Swedish subsidiary Karl Ljungberg AB. The former principal shareholder and chief executive officer of the company, Michael Adervall (aged 52), continues to be in charge of the business.

The strategic perspective

With the acquisition of Palma Byggrossisten AB DLH continues to consolidate its position in the Nordic market, where notably Norway and Sweden have growth potential in the years ahead. The acquisition of Palma Byggrossisten AB will bring DLH's total annual revenue up to more than DKK 600 million in Sweden alone. Palma Byggrossisten AB covers the geographically large market north of Stockholm, which in terms of logistics DLH's existing operations in Sweden have had difficulties in serving. With the acquisition of Palma Byggrossisten AB and the scheduled expansion of sales to the industry in the same area the division is now well-established with a solid position in the entire Swedish sheet materials market.

DLH, which in the past held a strong position in the Danish market, has made a number of acquisitions in the Nordic countries during the past two years. Already in 2005 the group acquired the Bohmans Group, which included operations in Sweden and Finland. In early 2006 this was followed by the Swiss group, the tt Timber Group, which also had operations in Denmark (Internationalt Hårdtræ). In the autumn of 2006 DLH acquired Ljungbergs with operations in both Norway and Sweden, and in June 2007 the group acquired the Norwegian Hustvedt Group, the Danish company OK Træ and Olle Zettergren AB.



Revenue and profit forecasts

For the full year the expectation is a result at EBIT level for the acquired business of Palma Byggrossisten AB of approximately DKK 8 million. DLH expects an increase in the group's NOA of approximately DKK 65 million in connection with the acquisition.

As the acquisition will not be finalised until 2008, it will not affect DLH's revenue and result in 2007.

Please direct any inquiries relating to this announcement to the President and CEO of the company, Jørgen Møller-Rasmussen, on telephone no. +45 43 50 01 01.

Yours sincerely

DALHOFF LARSEN & HORNEMAN A/S

Asbjørn Børsting
Chairman of the Supervisory Board

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