

SOLAR A/S

Group Management

Københavns Fondsbørs A/S

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Announcement Solar A/S
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Solar Sverige AB has entered into an agreement for the acquisition of the HWS wholesaler Alvesta V.V.S. – Material AB

In announcement no. 2 dated 8 February 2007, Solar A/S announced that its subsidiary Solar Sverige AB had entered into negotiations for the acquisition of the shares of Alvesta V.V.S. – Material AB.

Inquiries into the situations of the businesses and obtainment of official approvals by relevant authorities have now been completed, and an agreement has been made about the transfer of the shares of the above company.

Solar Sverige AB

With the acquisition, Solar Sverige AB is established as one of Sweden's leading electrical and HWS wholesalers, and the enterprise's market position will be strengthened in a market characterised by installation businesses with technical competences within both the electrical and HWS areas.

Financial implications and synergies

The acquisition of Alvesta V.V.S. – Material AB is expected to increase the Solar Group's revenue by €64m at a minimum and earnings before interest, tax and amortisation (EBITA) by approximately €4.7m, including synergies, in 2007. No significant restructuring costs are expected in connection with the acquisition. Expectations related to the acquisition of Alvesta V.V.S. – Material AB will be included in the expectations for 2007 that will be published in the Q1 quarterly report on 3 May.

We estimate that a number of synergies may be realised in both Sweden and the Solar Group as a whole over the coming years as a result of the acquisition. The realisation of these synergies means that the acquisition will be able to live up to the Solar acquisition strategy within a short period of time. The acquisition enables Solar Sverige AB to offer wider product ranges to all customer groups, thus meeting the market demand for technical competences within both the electrical and HWS areas.

Yours faithfully,

SOLAR A/S

Flemming H. Tomdrup

Alvesta V.V.S. – Material AB is an HWS wholesaler with a total of 10 branches distributed throughout central and southern Sweden. The enterprise headquarters and central warehouse are located in Alvesta (west of Växjö). The 17,000 m² modern central warehouse stocks more than 15,000 articles.

Information about



<http://www.solar.eu>