

Markaryd, Sweden - July 8, 2008

**NIBE finalises acquisition of TermaTech in Denmark –
option agreement with Lotus Heating Systems proceeds as planned**

After the satisfactory completion of due diligence, NIBE Industrier's acquisition of TermaTech A/S in Denmark, has now been formally finalised. The takeover came into force on 1 July 2008.

TermaTech is a supplier of a full range of accessories for stoves using solid-fuel, such as connecting flues and pipes, hearth plates and chimney systems, as well as a limited range of wood-burning stoves manufactured in sheet metal. The company operates solely as a trading company. In recent years TermaTech has reported high and stable levels of profitability and sales for 2007 totalled approximately 45 million Danish kroner (more than 6 million euros), with pre-tax profits of more than 6 million Danish kroner (approx. 805,000 euros). Sales are made mostly to the building trade in Denmark and Germany. The company employs around 10 people.

“TermaTech's product range is a very good complement to the NIBE Stoves' programme, and we see good opportunities for continued expansion partly through our existing distribution channels and partly through new establishments,” says Gerteric Lindquist, CEO for NIBE Industrier.

Information about option agreement with Lotus Heating Systems A/S

The option agreement on the acquisition of Lotus Heating Systems A/S year 2010, which was signed 16 April 2008, proceeds as planned.

Lotus will continue to act as a totally independent company in the market until 2010.

Lotus's sales totalled approximately 80 million Danish kroner (almost 11 million euros) in 2007. The company is Denmark's leading supplier of sheet metal wood-stoves to the domestic building trade and also has significant sales in other European markets, the foremost being Germany.

Yours sincerely,
NIBE Industrier AB

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