

Markaryd, Sweden – 20 December 2007

NIBE buys 25% stake in the Russian company EVAN

NIBE Industrier AB has reached an agreement about the acquisition of 25% of the shares in the Russian company CJSC EVAN, located in Nizhny Novgorod, 400 km south-east of Moscow. EVAN will form part of the NIBE Heating business area.

NIBE will acquire a 25% stake in the company immediately, to be followed by a further 26% in the second quarter of 2008, after which EVAN will be consolidated into the NIBE Group. The remaining 49% of the shares in EVAN will be purchased gradually over the course of the next three years.

EVAN has 150 employees. Annual sales are equivalent to approximately SEK 70 million and the operating margin is just over 20%. The company was founded in 1996.

EVAN is the leading brand in Russia for electric boilers and large electric water heaters. The company has a well established distribution network comprising some 90 dealers with close links to the company that covers the whole of the country.

“From a strategic point of view, establishing this bridgehead on the large and expanding Russian market is absolutely the right move for NIBE Heating to make. The terms of the takeover also enable us to work together with the current owners to continue to develop the company, which will now also provide a platform for sales of our entire water heater programme and over time also our entire range of heat pumps,” says Gerteric Lindquist, CEO of NIBE Industrier.

There will be no changes to the management of EVAN, nor to the trademark or the company’s organisation. The company will continue to be led by the current managing director and the current management system will be kept. The takeover is dependent on approval from the Russian competition authority.

Yours sincerely,
NIBE Industrier AB

Benny Torstensson
Information Manager

For further information, please phone +46 (0)433 - 73 000 or +46 (0)70 – 530 20 71

NIBE Industrier AB, which has its head office in Markaryd in the south of Sweden, currently employs 5,500 people and has annual sales of some SEK 5 billion (approx. EUR 542 million). The company has been listed on the Stockholm Stock Exchange since 1997.

NIBE Industrier consists of three business areas: NIBE Element, NIBE Heating and NIBE Stoves, all engaged in product development, manufacturing and marketing. Production takes place in Sweden, Norway, Finland, Denmark, Poland, the Czech Republic, Italy, Spain, the Netherlands, England and China. The product range is as follows:

NIBE Element: components and systems for electric heating applications, primarily tubular and foil elements.

NIBE Heating: heat pumps, water heaters, biofuel products and district-heating equipment.

NIBE Stoves: wood-burning stoves and chimney systems sold under the Handöl, Contura, Cronspisen, Roslagsspisen, Nordpeis and Varde brands.

NIBE INDUSTRIER AB

Postadress

Box 14
285 21 MARKARYD

Telefon

0433 - 73 000

Telefax

0433 - 73192

Org nr

55 63 74 - 8309