

Markaryd, Sweden, 3 March 2006

NIBE acquires Varde Ovne A/S – Denmark’s most expansive producer of wood-burning stoves

NIBE Industrier AB has entered an agreement to acquire Varde Ovne A/S located in Gram in Jutland, Denmark.

Varde Ovne, one of the most expansive producers of wood-burning stoves in Denmark, will take its place in the business segment NIBE Stoves.

Varde Ovne, founded in 1987, develops, produces and markets wood-burning stoves of international design and is one of the leaders in its product field in Denmark. They also have substantial sales on the German market.

The group has about 40 employees, an annual turnover of approximately 76 million Danish kroner and a net income before tax of 4.6 million Danish kroner.

The acquisition is conditional on the usual “due diligence”, which is why the take-over has been planned to take place in mid-March 2006.

“The strategy behind this acquisition is to achieve a position as market leader on the Danish stove market and to gain access to an additional range with international design,” says NIBE group CEO Gerteric Lindquist.

At Varde Ovne company management as well as brand name, production unit and sales organisation will remain unchanged and in the future will continue to be run by the two previous owners, Lars Madsen and Ole Madsen.

“The anticipated synergy effects are expected primarily to be achievable through advantages in purchasing and production and in that the business segment will achieve an even stronger position for future ventures,” says Gerteric Lindquist.

Kindest regards
NIBE Industrier AB

Benny Torstensson
Information Officer

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NIBE Industrier AB, which has its head office in Markaryd in the south of Sweden, currently employs more than 4,200 people and has annual sales of some SEK 3.8 billion (approx. EUR 400 million). The company has been listed on the Stockholm Stock Exchange’s O-List since 1997.

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

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

NIBE Heating: heat-pumps, domestic boilers, water heaters and district heating equipment.

NIBE Stoves: wood-burning stoves sold under the Handöl, Contura, Cronspisen, Roslagsspisen and North brands.

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