

Press Release, 23 October 1998

Dahl's Interim Report for January – September 1998

Dahl's sales rose by 11 per cent during the first nine months of the year. The result after net financial items rose to MSEK 169 (142). Sweden noted improved earnings.

Turnover increased by 11 per cent to MSEK 7,544. Growth was strong in Poland and Finland. Sales in Poland were up 88 per cent, of which 24 per cent was attributable to organic growth. Sales in Norway and Denmark were favourable and sales in Sweden improved steadily over the period. Acquisitions in Denmark, Poland and Estonia contributed sales of approx. MSEK 325.

The result after net financial items rose to MSEK 169 (142). The increase is mainly attributable to improved earnings in Sweden, where the result for the previous year was charged with items affecting comparability of MSEK 37. Rising price pressure in Denmark had a negative impact on the result. The result for the third quarter was MSEK 94 (100).

Dahl acquired three heating & sanitation wholesalers in Poland during the period. After acquisitions and the establishment of new outlets Dahl is represented in 30 locations and has thus strengthened its presence with nine outlets so far this year. Sales in 1998 are expected to exceed MSEK 700. Dahl acquired full ownership of Polish operations in August.

In Denmark, the tool wholesalers O.P. Værktøj & Værktøjsmaskiner and Maskinkompagniet Odense were acquired. The companies complement SCS Industriværktøj which was acquired in September 1997. Dahl increased its activity in Estonia through the acquisition of heating & sanitation wholesaler Vennad, with operations in Tallinn and Viljand.

“Sales developed favourably during the period. Swedish operations are rallying in terms of both sales and earnings”, says Dahl's President and CEO P-O Söderberg.

Dahl's interim report for January – September 1998 is attached.

For additional information, please contact President P-O Söderberg (+46-8-700 18 20) or Financial Director Mats Norberg (+46-8-700 18 20).

Dahl is the Nordic countries' leading wholesale and trading company in the market for heating & sanitation/water & sewer supply and pipe products for industry. Dahl's sales in 1997 amounted to MSEK 9,375. Dahl has a leading position in Denmark, Norway, Sweden and Poland, and a strong position in the Finnish market.