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EQT divests Dahl to Saint-Gobain

The private equity fund EQT II has together with other shareholders signed an agreement with Saint-Gobain to divest all shares in the heating and sanitation wholesaler Dahl. The transaction is subject to approval by relevant competition authorities.

EQT and Ratos acquired Dahl in a public to private transaction in the spring 1999. The business has developed exceptionally well during the last five years. Turnover, profits and cash flow have all improved significantly. The market position in all relevant markets has meanwhile strengthened. Under EQT's ownership sales has grown from SEK 10.5 billion to SEK 12.5 billion and the operating profit has grown from SEK 346 million to SEK 733 million.

"Since the public to private buyout in 1999 Dahl has significantly improved profitability and generated strong cash flow. The management's and other staff members' hard work combined with a very active board of directors have contributed considerably to make Dahl a successful investment for EQT" comments Conni Jonsson, Managing Director at EQT Partners AB.

"The combination of Dahl and Saint-Gobain is excellent in many ways. Dahl will strengthen further with a global distributor in the building materials industry as owner. We expect strong synergies between Saint-Gobain and Dahl" comments Per-Olof Söderberg, CEO at Dahl.

Dahl is the leading heating and sanitation wholesaler in the Nordic region and bring together around 2 000 suppliers with 32 000 customers. The company has 3 300 employees that operate out of close to 260 branches. The turnover in 2003 was SEK 12.5 billion.

The French Saint-Gobain group, is a world leading manufacturer of glass and building materials. Saint-Gobain also has extensive distribution operations. The Company operates in 46 countries and has approximately 173 000 employees. In the Nordic region, Saint-Gobain has so far mainly operated as a manufacturer of glass and insulation materials. Dahl will thus become part of a worldwide group where Dahl will be the Nordic platform in Saint-Gobain's strategy to develop other building materials distribution activities.