

PRESS RELEASE

Helsingborg March 26, 2010

## **Nederman acquires Dantherm Filtration and becomes the leader in industrial air filtration**

Nederman Holding AB has doubled its business to become the global market leader in industrial air filtration. This has been achieved by Nederman acquiring Dantherm Filtration - one of the leading manufacturers of industrial air filtration equipment. Dantherm Filtration (excluding the business not taken over in France) had sales in 2009 of around SEK 980 million, a headcount of slightly over 900 and is a business area of the listed Danish Group, Dantherm A/S.

The acquisition of Dantherm Filtration is in line with Nederman's strategy of acquiring businesses that complement existing products and systems in customer-focused areas. The acquisition is also in line with Nederman's strategy of expanding its customer base and their customer areas. The acquisition also continues Nederman's strategy of expanding in the value chain by selling systems and an increasing amount of aftermarket sales.

Dantherm Filtration is a company that complements Nederman very well in terms of range, customers and strategy. Both companies largely work with the same customer groups, but Dantherm Filtration can offer filtration systems with much higher capacities. Nederman will now be able to offer and sell even larger systems to its existing customer segments, while at the same time it gains a complete range - for smaller to larger facilities

The purchase price amounts to DKK 280 million (approx. SEK 364 million) on a debt-free basis (enterprise value). The acquisition is expected to be completed end of April 2010. Integrating the activities will take place gradually and is expected to be fully implemented in 2011. The acquired business is expected to be consolidated into the Nederman Group from the day it is taken over.

*Sven Kristensson, Nederman's CEO, commented:*

*"The acquisition of Dantherm Filtration provides products and expertise that complement Nederman in strategically important areas. Dantherm Filtration has a wide range of large, advanced filtration systems that coupled with Nederman's existing product range will make Nederman a world leader in industrial air cleaning."*

*Torben Duer, Dantherm A/S's CEO, commented:*

*"Nederman is a very good new owner for Dantherm Filtration. I see significant potential in this deal where the companies together will become a leader in industrial air. Both businesses will benefit greatly from the marketing and sales synergies in the transaction."*

### **The transaction in brief**

- Nederman acquires Dantherm Filtration at a purchase price of DKK 280 million, on a debt-free basis (enterprise value) equivalent to around SEK 364 million
- The transaction's financing is guaranteed
- The transaction is expected to be completed end of April 2010
- The acquisition does not include Dantherm Filtration's French business whose operations Nederman deems to be outside its core business

- The acquisition is not conditional on approval of the authorities
- The additional total surplus value is estimated to be around SEK 60 million

### Effects on the Nederman Group's financial position

- Integration and restructuring costs are not expected to exceed SEK 100 million. Transaction costs will impact Nederman's results by around SEK 15 million in Q2 2010.
- Nederman has secured long-term bank financing for the acquisition through an advance credit commitment from Skandinaviska Enskilda Banken (publ). As part of the agreement with the bank, Nederman's two largest shareholders, Investment AB Latour and Ernströmgruppen AB, have provided guarantees. These guarantees mean that Investment AB Latour and Ernströmgruppen AB (in relation to their holding) commit themselves, for a two-year period, to guarantee for a possible rights issue of up to SEK 200 million in Nederman, in the event of a rights issue becoming relevant.

*Sven Kristensson, CEO of Nederman, said: "If the economy develops as expected, it is very unlikely that a new issue will be carried out. That our principal owners are making this undertaking to the bank, I see as a very strong signal of their long-term commitment and their strong confidence in Nederman, and the acquisition of Dantherm Filtration."*

### Pro forma accounts on 31 December 2009 (31 December 2008)

The following pro forma ratios relate to the Nederman Group as it had looked if the acquisition of Dantherm Filtration had occurred on 1 January 2009 (1 January 2008). The information in the pro forma accounts should be considered preliminary and do not necessarily give an indication of the Group's future results.

Key ratios SEK million	Nederman 2009 (2008)	Dantherm Filtration 2009 (2008) excl. the French business SEK million	Pro forma merged Group excl. restructuring costs SEK million (2008)
Net sales	1,052 (1,273)	983 (1,438)	2,035 (2,711)
EBITDA	41 (158)	19 (111)	60 (270)
Net debt	108		Cirka 500
Avg no. of employees	672 (710)	927 (1,092)	1,599 (1,802)

### Logic behind the transaction

Together, these companies will form the largest, world-leading player in industrial air filtration.

Dantherm Filtration supplements Nederman with filtration systems that make it possible to offer complete solutions for industrial air filtration. These include large and medium-sized filters aimed primarily at the manufacturing industry.

Nederman complements Dantherm Filtration's solutions including extraction systems, arms and high vacuum solutions used for guaranteeing a good working environment.

This acquisition allows Nederman to expand its customer base and customer areas. In cases where the companies target the same customers, it currently occurs with different applications. The merger is therefore primarily complementary, opening up expansion in the value chain by selling systems.

### About Nederman

Nederman, one of the world's leading environment technology companies, develops, produces and markets its own products and systems for the extraction and filtration of dust, welding smoke and vehicle

exhaust fumes. The company's comprehensive range of hose and cable reels makes work more effective by being connected directly to the workplace giving convenient access to oil, air, water, gas and electricity.

Nederman provides solutions for the eco-friendly and cost-effective treatment and recovery of cutting fluids and profitable handling and processing of metal shavings. Through a comprehensive range of products, systems and services, coupled with extensive know-how, Nederman offers comprehensive system solutions in selected application areas.

The company has sales organizations in 25 countries and units for assembly and logistics in Sweden, Norway, Canada and China. In 2009, the average number of employees was 672 (710 in 2008). Sales amounted to SEK 1,052 million in 2009 (SEK 1,273 million in 2008) and EBITDA was SEK 41 million (SEK 158 million in 2008).

### **About Dantherm Filtration**

Dantherm Filtration is a world-leader in air filtration focusing on individual solutions for the manufacturing and process industries. Dantherm Filtration's solutions can be found in a variety of application areas and in many different industries. The company markets internationally recognized brands - Airmaster, BMD Garant, Ventilatorverken and Nordfab. Dantherm Filtration offers a wide explosion-approved range for handling dry particles, for example in the composite processing industry but also in the paper and wood industries as well as the food, pharma and chemical industries.

Sales in the acquired parts of Dantherm Filtration were around SEK 983 million in 2009 (SEK 1,438 million in 2008) with an EBITDA of SEK 19 million (SEK 111 million in 2008) The company has sales organizations in 10 countries and units for assembly and logistics in 8. The average number of employees in 2009 was 927 (1,092 in 2008).

### **Advisers**

Handelsbanken Capital Markets has acted as financial advisor to Nederman in the transaction. Moll Wenden Attorneys has been legal adviser.

This information is such that Nederman Holding AB is obliged to publish according to laws governing the securities market and/or laws governing trading in financial instruments.

Nederman will publish the future effect on the Group in more detail, as soon as a deeper analysis has been carried out.

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Nederman Holding AB is obliged to publish according to laws governing the securities market. This information was published at 13:10 p.m. on 26 March 2010