

PRESS RELEASE

Løgstør, 3rd April 2009

LOGSTOR maintains its market positions in 2008 amid a continuation of its European and Middle Eastern growth initiatives

- Ø In 2008, LOGSTOR established its new, fourth, business area – District Cooling
- Ø In light of the economic climate, significant fluctuations in oil prices and raw materials, LOGSTOR achieved a satisfactory result
- Ø LOGSTOR opened a new, ultramodern component factory in Poland and initiated construction work of a new district cooling factory in Dubai
- Ø In October, LOGSTOR closed its factory in Northern Poland and reduced the Group staff by ca 100 people

As the world's leading producer of pre-insulated pipes for energy efficient transportation of gases and liquids, LOGSTOR continued its growth and development plans in 2008 in Europe and abroad. The turnover grew by 3% to DKK 2.4 billion during the year with EBITDA of DKK 286 million. The results demonstrate that despite the challenging economic environment and investment climate, Logstor continue to see a growing demand for its environmental and energy saving product solutions.

DKK million	2008 Actual	2007 Actual
Turnover	2,361 (+ 3 %)	2,287
EBITDA	286 (- 4 %)	299
Investments	139 (+ 4 %)	134
Staff	1,405 (+ 4 %)	1,349
Total assets	2,750	2,822
Equity	663	744

Preben Tolstrup, CEO of LOGSTOR, commented: *"2008 has been a challenging year for the LOGSTOR Group. We have presented a result reflecting the difficult situation of the present market and we have had to deal with very volatile raw material prices and fluctuations in exchange rates, which have had a negative impact on our results. In order to better meet the difficult market situation we made various structural adjustments to the Group in October 2008.*

We have experienced an increased confidence in that district heating and district cooling energy distribution solutions will greatly contribute to an improvement of global energy efficiency and consequently in a reduction of CO2 emissions. The EU directive for renewable energy, which was adopted in December under the presidency of France, specifically emphasized district energy as an important contributor in EU's ambitious CO2 reduction target for 2020. We are convinced that the future energy efficiency initiatives and programs in Europe and around the world will have a very positive impact on our sales.

As the Middle East is adopting district cooling as its primary technological solution to improve energy efficiency, we believe that LOGSTOR, via its current investment in Dubai, will secure a favorable position in that particular region as well.

Another step in our geographic expansion in 2008 was the opening of an office in Russia in order to position the Company for the expected high market growth following the market entries by Western Energy and Utility companies into the power and heat supply sector where a large privatization process was completed in the middle of 2008”.

The Group's two other divisions – Oil & Gas and Industry & Marine – delivered solid results for 2008 albeit experiencing significant demand swings and changes over the year. The two divisions are prepared for difficult market conditions in 2009 and have increased their product development as well as intensified its customer focus. Major 2008 milestones include:

- The Oil & Gas division launched the world's first pre-insulated system for offshore laying of flexible oil pipelines. This revolutionary technique makes pipe-laying easier, cheaper and quicker. A project is currently being delivered to DONG's Nini field in the North Sea in collaboration with LOGSTOR's Norwegian/British partner Acergy
- The Industry & Marine division acquired its partner's stake in the Shanghai factory. The Chinese company is now owned 100% by LOGSTOR and is successfully working with the Chinese shipbuilding industry. Following high demand the factory is already operating at full capacity for the remainder of 2009

Capitalizing on the current market environment, LOGSTOR acquired, during the first quarter of 2009, considerable parts of its Danish competitor Star Pipe as well as the Romanian district heating company Stizo in Bucharest. LOGSTOR is very excited about its strengthened presence and ability to serve these two important regions:

- The acquisition of Star Pipe strengthens LOGSTOR's activities in the Nordic region, one of the world's furthest developed regions for the use of district heating and district cooling. Significant investments continues to be made in the Nordic countries as clients expand and upgrade their district heating and district cooling networks
- The acquisition of Stizo in Romania strengthens LOGSTOR's geographic position in the Balkans. The new EU member states in the Balkans are expected to make significant investments in energy efficiency via EU structural funds in the years to come. Since the district heating technology is already quite common in the region, but based on systems that were established between 1930 and 1960, there is a great energy saving potential by establishing and modernising heat and power plants as well as biomass plants

Further information:

Preben Tolstrup, CEO of LOGSTOR, +45 9966 1000

Kurt Weis, VP Corporate Communications, LOGSTOR, +45 9966 1008, kuw@logstor.com

Information to editorial staff:**LOGSTOR**

LOGSTOR is the world's leading manufacturer of pre-insulated pipes for energy efficient transportation of gases and liquids for district heating and cooling, oil and gas, solar, marine and industrial purposes. LOGSTOR invented the pre-insulated pipe system technology and has delivered more than 150,000 km pre-insulated pipes to date. LOGSTOR provides products which contributes considerably to reductions in CO2 emissions and improved energy efficiency.

Today LOGSTOR is an international group with subsidiaries in Denmark, Sweden, Finland, Germany, Poland, the Netherlands, France, Italy, Austria, Switzerland, China, Romania and Lithuania. A network of 30 agents and LOGSTOR's 12 sales offices support the sales activities.

LOGSTOR supplies customers in approximately 50 countries and sells its pipe systems in markets where energy savings and CO2 reduction considerations will affect clients choice of how they heat or cool residential and commercial property and how oil, gas and other liquids are most efficiently transported.

LOGSTOR is headquartered in Løgstør, Denmark, and employs approximately 1,400 employees. Production is carried out in the Group's 10 factories situated in Denmark, Sweden, Finland, Poland, China, Romania in its joint venture in Korea. All 10 factories of the group hold the ISO9000 quality certificate and the ISO 14001 environment certificate.

LOGSTOR is owned by Montagu Private Equity.

Visit www.logstor.com for further information.

Montagu Private Equity

Montagu is a leading private equity investor in the European mid-market with offices in London, Manchester, Paris, Düsseldorf and Stockholm. Over the last 40 years Montagu has supported more than 400 businesses operating across a range of different segments and sectors, and currently has more than €3.5 billion under management. Montagu is focused on investing in management buyouts in partnership with the incumbent management team. The firm has an extensive network of contacts and offers its portfolio companies capital, financial expertise and strategic assistance in order to unleash their full development and growth potential.

Visit www.montagu.com for further information.