

Translation of Announcement No. 8 - 2015
to NASDAQ Copenhagen



Brødrene A & O Johansen A/S
Rørvang 3
DK-2620 Albertslund
Tlf. 70 28 00 00
Fax 70 28 01 01
AO.dk

DANSKE BANK GLOSTRUP
KONTONR. 4440 137040
CVR-NR. 58 21 06 17

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Brødrene A & O Johansen A/S has now completed its acquisition of Billig VVS ApS

Today, Brødrene A & O Johansen A/S has completed the acquisition of Billig VVS ApS, as all conditions precedent to the acquisition have been fulfilled upon receipt of the approval from the Danish competition authorities (see Company Announcement No. 7 – 2015 of 26 August 2015).

Billig VVS ApS is Denmark's leading online supplier of plumbing, heating and sanitary ware products and among the leading online providers of the same products in Sweden and Norway. Billig VVS ApS continues as an independent subsidiary of the Group focusing on sales to private individuals and minor commercial customers.

AO's main focus is still on the professional market, where it is AO's vision to be the trademen's preferred supplier of technical installation materials to the market for repairs, renovations and maintenance and one of the preferred suppliers to the market for new building projects.

Mr Peter Krøjgaard, present Commercial Manager of Billig VVS ApS, takes up the position of Managing Director in connection with the closing of the deal. Mr Preben Damgaard Nielsen becomes Chairman of the Board of Directors of Billig VVS ApS. In addition, Mr Jesper Bunde-Pedersen, present Managing Director of Billig VVS ApS, joins the Board of Directors together with Mr Niels A. Johansen (CEO of AO), Mr Henrik T. Krabbe (CFO of AO), and Mr Jens Johansen.

In 2014, Billig VVS ApS' revenue amounted to DKK 203.1 million and its profit before tax totalled DKK 16.7 million.

As previously announced, the transaction is based on an enterprise value of DKK 240 million. Of the purchase price the payment of DKK 40 million will depend on the acquired Billig VVS ApS' actual results for 2015. The purchase price will be paid in cash, and it will be financed by existing cash and credit facilities.

With the synergies already existing between Billig VVS ApS and AO with regard to product ranges, warehouse/logistics and AO's existing business, including AO.dk, there is potential for developing both companies significantly over the coming years.

As announced in connection with the disclosure of the acquisition of Billig VVS ApS (see Company Announcement no. 6 – 2016 of 23 June 2015), the Group's pre-tax profit expectations for 2015 are adjusted upwards to approximately DKK 115 million against the previously announced DKK 100 million. In 2014, AO realised a profit before tax of DKK 97.5 million.

Kind regards
BRØDRENE A & O JOHANSEN A/S

Niels A. Johansen
Chief Executive Officer

Henrik T. Krabbe
Chief Financial Officer