

To the Copenhagen Stock Exchange
Via Stockwise

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SW/-

Announcement 2002/9
Page 1 of 13 pages

INTERIM REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2002

The Supervisory Board of Danske Trælast A/S today considered and adopted the financial statements for the period ended 30 June 2002 (unaudited).

The interim report for the period contains the following highlights:

- Turnover increased 1.9% to DKK 7,326 million from DKK 7,192 million in the same period last year.
- Ordinary profit before tax increased 29.4% to DKK 207 million (2001: DKK 160 million). The actual results were better than expected.
- It has been decided to close down DDT Import & Distribution. The provision for the costs of closing down the operations was offset against a profit on the sale of a warehousing facility and thus did not affect results.
- The cost savings initiated continue to progress as planned.
- The performance improvement of Beijer Byggmaterial, Sweden, was achieved earlier than previously expected.
- The cash flow from operating activities was DKK 294 million (2001: DKK 61 million), which was partly attributable to the focus on reducing working capital.
- Turnover for the full year is expected to be DKK 15 billion, which is unchanged compared with previous forecasts. Ordinary profit before tax and goodwill amortisation is expected to be DKK 520 - 550 million compared with the previous forecast of DKK 470 - 510 million (2001: DKK 465 million).

A combined webcast and telephone conference in English will be held on 22 August 2002 at 11.30 a.m. For more information, go to www.dansketraelast.dk.

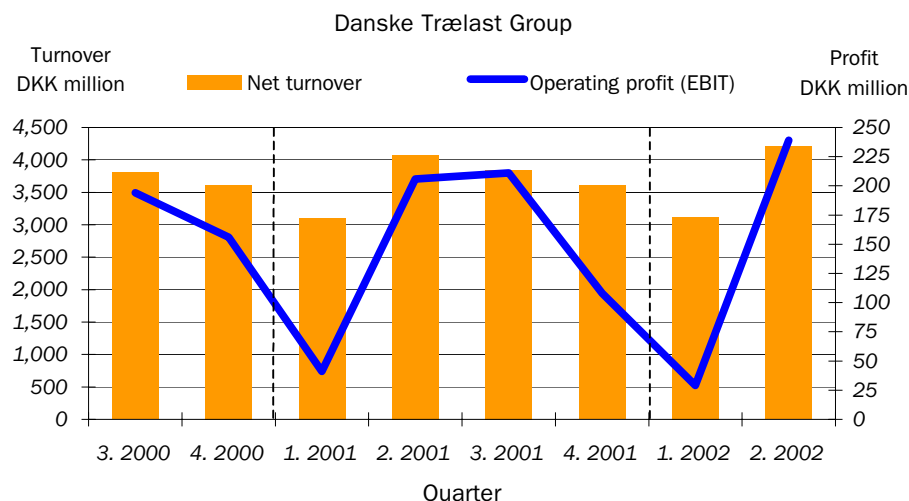
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Group financial highlights and key ratios

DKK million	2nd quarter		1st-2nd quarter		Full year	
	2002	2001	2002	2001	2001	
Profit and loss account						
Net turnover	4,208	4,083	7,326	7,192	14,639	
Gross profit	1,017	979	1,785	1,732	3,546	
Operating profit before goodwill amortisation (EBITA)	252	219	294	272	619	
Operating profit (EBIT)	239	206	268	247	567	
Financial items, net	(31)	(46)	(61)	(87)	(154)	
Ordinary profit before tax	208	160	207	160	413	
Group profit	143	110	140	108	279	
Balance sheet						
Total assets	7,991	8,027	7,991	8,027	7,264	
Shareholders' equity	2,832	2,603	2,832	2,603	2,767	
Net interest-bearing debt	3,033	3,467	3,033	3,467	3,066	
Cash flow statement						
Cash flow from operating activities	85	(15)	294	61	577	
Total cash flow	7	(527)	108	(653)	(251)	
Key ratios and other data						
Financial ratios						
EBITDA*	DKK mill.	310	277	409	384	851
Operating margin	pct.	6.0	5.4	4.0	3.8	4.2
Return on equity	pct.	5.1	4.3	5.0	4.2	10.4
Per share ratios						
Earnings per share (EPS)	DKK	6	5	6	5	12
Book value per share	DKK	120	110	120	110	117
Market price per share, end of period	DKK	111	108	111	108	92

The comparative figures for 2001 have been restated to reflect the Group's changed accounting policies. See page 3. The ratios have been calculated in accordance with Recommendations & Ratios, 1997, issued by the Danish Association of Financial Analysts.

* Profit before financial items, tax, amortisation and depreciation



Accounting policies

The changes in Danish accounting legislation did not have any material effect on the profit and loss account or the balance sheet. The changes in accounting policies were described in the interim report for the three months ended 31 March 2001, to which reference is made. The changes reduced consolidated profit for the period by DKK 2 million (2001: +1 million), while total assets increased by DKK 21 million (2001: DKK 33 million), and shareholders' equity decreased by DKK 34 million (2001: DKK 42 million).

The presentation of the profit and loss account has been changed to the effect that goodwill amortisation is now included in operating profit.

Performance in the six months ended 30 June 2002

Consolidated turnover in the first six months of the year increased by 1.9% to DKK 7,326 million (2001: DKK 7,192 million). Same-store turnover decreased by 1%.

Both Silvan and the building material merchants recorded growth in turnover compared with the first half of 2001. Conversely, the Import and Wholesale division recorded a decrease compared with the same period of last year. As expected, the market was stagnant.

In the first half of 2002, sales to large, nation-wide contractors decreased in all markets. The Group successfully countered this trend by lifting sales to consumers, in particular.

The gross margin rose by 0.3 percentage points to 24.4% in the first half of 2002 compared with the same period last year. The improvement was attributable to the building material merchants, which continued to work proactively to optimise activities.

The cost savings initiated are in line with Group plans, and the effect began to feed through in the second quarter of 2002. The Group retains its forecast of a total reduction of full-year staff costs of approximately DKK 80 million on a same-store basis.

Operating profit before goodwill amortisation (EBITA) for the period amounted to DKK 294 million (2001: DKK 272 million). Operating profit before goodwill amortisation accounted for 4.0% of turnover compared with 3.8% in the first half of 2001.

As a result of lower interest-bearing debt and the lower interest rate level, net financial expenses was reduced by DKK 26 million to DKK 61 million compared with the same period last year.

Ordinary profit before tax was DKK 207 million (2001: DKK 160 million). After tax, the profit amounted to DKK 140 million (2001: DKK 108 million).

The cash flow from operating activities was DKK 294 million (2001: DKK 61 million), which was partly attributable to the continuing focus on reducing working capital.

During the period, Danske Trælast A/S acquired 100,000 of its own shares for DKK 12 million. The shares were acquired under the existing 10% authorisation and will be used to cover the announced stock option plans. This brought the company's holding of own shares to 550,000, equivalent to 2.32% of the total share capital of DKK 473,473,140 (23,673,657 shares). The purchase price of the shares is included in retained profit under shareholders' equity.

Initiatives and effects in the second quarter of 2002

In the autumn of 2001, the staff was reduced to adjust staff costs to the stagnant market. The target for cost savings to be achieved through the adjustments was DKK 80 million per year before pay rises. These initiatives began to have an effect in the second quarter of 2002.

At the beginning of the year, the Group was facing three primary challenges. The initiatives taken to meet these challenges and the effect of last year's reduction of staff costs had a favourable effect on results.

One challenge was to reverse developments in Beijer Byggmaterial after a number of years of disappointing results. In addition to the adjustments of staff costs, Beijer's management has now completed a new business plan, which calls for many more joint initiatives in the outlets, including basic product ranges and central purchasing procedures. New IT systems have been implemented, which have been used in all outlets since the beginning of 2002. Finally, three unprofitable outlets were closed during the first half of 2002. These efforts yielded better results than originally expected. Beijer Byggmaterial reported more than a 100% improvement of profit for the first half of 2002 compared with the same period last year.

The other challenge was to make Neumann Bygg more profitable. The targeted focus on value-creating elements and concurrent implementation of a number of cost-saving initiatives proved successful, and the division's performance improved in spite of a continued lack of critical mass.

The third challenge was to adjust activities in the Import and Wholesale division. As described in an announcement of 21 May 2002 to the Copenhagen Stock Exchange, it has been decided to close down DDT Import & Distribution, which forms part of the Import and Wholesale division. The closure is progressing according to plan and is still expected to be completed by the end of the current financial year. The company's main warehousing facility at Aarhus, Denmark, was sold during the first half of the year. A provision was taken in the second quarter for the closure of the company, and this provision was set off against the profit from the sale of the property. The closure is still not expected to have any significant effect on the profit of Danske Trælast A/S, but is expected to reduce the Group's full-year external sales by DKK 200 - 250 million. Furthermore, adjusted capital employed is expected to fall by DKK 50 - 100 million by the end of the year.

Overall, the performance of the second quarter was better than expected. The way the above mentioned primary challenges were handled contributed to this success.

Performance of the business areas during the six months ended 30 June 2002

The **building material merchants in Denmark** generated a turnover of DKK 2,796 million during the period (2001: DKK 2,705 million). Same-store turnover was down 1.0%. As expected, market conditions in the first half of 2002 represented a continuation of the situation in 2001 with a largely unchanged level of activity. The Danske Træløst Group is continuing the process to adjust capacity to demand. It is expected that the initiatives will take full effect during the autumn of 2002. Adjusted operating profit for the first half of 2002 was DKK 124 million (2001: DKK 120 million).

In Finland, **Starkki** generated a turnover of DKK 1,410 million (2001: DKK 1,402 million). In euros and on a same-store basis, this corresponded to a decrease of 1.8% compared with 2001. In this declining market, Starkki succeeded in increasing its market share and operating margin. On 1 March 2002, Starkki expanded its chain when a new store opened at Kuopio. Adjusted operating profit for the first half of 2002 was DKK 51 million (2001: DKK 44 million).

Turnover in **Beijer Byggmaterial** totalled DKK 1,357 million (2001: DKK 1,330 million). Same-store turnover in SEK increased by 1.7% compared with 2001 – in a market considered to be stagnant. The competition tightened during the first half of 2002. Management continues to focus intensively on developing the organisation in accordance with the plans made. An adjusted operating profit of DKK 29 million was recorded for the period (2001: DKK 12 million), which was better than expected.

Neumann Bygg in Norway was also able to reach its margin improvement target earlier than expected. Turnover was DKK 311 million (2001: DKK 289 million). In NOK and on a same-store basis, this corresponded to a decrease of 3.8% compared with 2001. The decreasing trend in the market towards the end of 2001 continued in 2002, and management believes that Neumann Bygg's performance followed the market. On 1 January 2002, the division took over two small stores at Lindenes and Mandal. Neumann Bygg recorded an adjusted operating profit of DKK 7 million (2001: DKK 3 million).

The **Silvan Chain** generated a turnover of DKK 914 million (2001: DKK 816 million) and an adjusted operating profit of DKK 53 million (2001: DKK 52 million). Same-store turnover increased by 3.9%. In Denmark, the first half of 2002 showed slightly stronger growth in the retail trade than expected. Silvan in Esbjerg moved to a new location in February, and an acquired store in Viborg opened as a Silvan store in March. In Sweden, growth in the first half of 2002 was lower than expected at the beginning of the year, and this trend is expected to continue for the rest of 2002. As planned, an additional three Silvan stores will open in Sweden in the second half of 2002.

Import and Wholesale generated a turnover of DKK 808 million (2001: DKK 964 million). Same-store turnover was down 12.0%. In particular, sales to the furniture industry were low during the period. Turnover in DDT Import & Distribution showed a falling trend as a result of the ongoing process of closing down the company. Until it is closed down, the company's sales will primarily target intra Group customers. An adjusted operating profit of DKK 14 million was recorded (2001: DKK 23 million). The adjusted capital employed was reduced by almost 30% to DKK 357 million.

Outlook for the full year ending 31 December 2002

The Group still does not expect economic trends to improve in 2002, but as the expected erosion of gross margins did not materialise, and as the cost reductions are progressing as planned, operating profit is expected to be better than previously anticipated.

Targeted efforts to reduce the adjusted capital employed resulted in a reduction of net interest-bearing debt, when allowing for seasonal fluctuations. Combined with a lower than expected interest level, this has the effect that the Group expects a significant saving on financial items for the year compared with previous forecasts.

On the basis of the above, the Group retains its forecast of a turnover of DKK 15 billion, while ordinary profit before goodwill amortisation is expected to be DKK 520 - 550 million compared with the previous forecast of DKK 470 - 510 million. Ordinary profit before goodwill amortisation was DKK 465 million in 2001.

In connection with the implementation of the new Danish Financial Statements Act, the Group has reclassified the items in the profit and loss account, thus eliminating the sub-total "Ordinary profit before goodwill amortisation" and replacing it by other sub-totals. However, as this sub-total was one of the levels previously used for the Group's forecasts, the correlation of the forecasts for this item to the new sub-totals is explained below.

DKK million	Outlook for the full year 2002		Full year
	22 August	7 May	2001
Turnover	15,000	15,000	14,639
Operating profit before goodwill amortisation (EBITA)	650 - 680	N/A	619
Profit before tax and goodwill amortisation	520 - 550	470 - 510	465
Ordinary profit before tax	470 - 500	N/A	413
Group profit	320 - 340	280 - 310	279

Should you have any questions concerning this statement, please contact Steen Weirsøe, President & CEO, on telephone +45 3955 9700 or +45 2427 3848.

DANSKE TRÆLAST A/S

Hans Werdelin
Chairman

Steen Weirsøe
President & CEO

Movements in shareholders equity

DKK million	1st-2nd quarter		Full year
	2002	2001	2001
Shareholders' equity at 31 December 2001	2,715	2,560	2,560
Accounting policy changes	52	41	41
Shareholders' equity at 1 January 2002 after accounting policy changes	2,767	2,601	2,601
Currency translation, foreign subsidiaries	20	(9)	(17)
Increase of shareholders' capital	0	0	3
Addition of own shares	(12)	(14)	(14)
Dividend	(85)	(85)	(85)
Dividend own shares	2	1	1
Profit for the period	140	109	278
Shareholders' equity at the end of the period	2,832	2,603	2,767

Changes in minority interests

DKK million	1st-2nd quarter		Full year
	2002	2001	2001
Minority interests at 1 January 2002	10	9	9
Profit attributable to minority interests	0	(1)	1
Minority interests at 30 June 2002	10	8	10

Financial calendar

As previously announced, the Supervisory Board has adopted the following timetable for release of financial reporting:

Interim report for the nine months ended
30 September 2002

11 November 2002

Announcements to the Copenhagen Stock Exchange in 2002

Revised financial calendar	11 January 2002
Announcement of financial results 2001	20 February 2002
Stock options	8 April 2002
Annual general meeting of Danske Trælast A/S	10 April 2002
Interim report for the three months ended 31 March 2002	7 May 2002
Danske Trælast A/S proposes to close down DDT Import & Distribution	21 May 2002
Own shares	4 June 2002
Executive Board changes in the Danske Trælast Group	17 June 2002

Forward looking statements: The forward looking statements in this document are subject to risks and uncertainties which may cause actual performance to differ from expectations. These and other important factors relating to the Danske Trælast Group's activities are specified in the Group's annual report.

Profit and loss account

DKK million

	2nd quarter		1st-2nd quarter		Full year
	2002	2001	2002	2001	2001
Net turnover	4,208	4,083	7,326	7,192	14,639
Cost of goods sold	3,191	3,104	5,541	5,460	11,093
Gross Profit	1,017	979	1,785	1,732	3,546
External operating costs	235	244	472	471	922
Staff costs	469	449	895	865	1,744
Depreciation on tangible fixed assets	58	58	115	112	232
Loss on debtors	12	15	25	24	48
Profit before other operating items and goodwill amortisation	243	213	278	260	600
Other operating income	9	7	16	14	30
Other operating costs	0	1	0	2	11
Operating profit before goodwill amortisation (EBITA)	252	219	294	272	619
Goodwill amortisation	13	13	26	25	52
Operating profit (EBIT)	239	206	268	247	567
Financial income	14	14	28	24	60
Financial costs	45	60	89	111	214
Ordinary profit before tax	208	160	207	160	413
Tax on ordinary profit for the period	65	50	67	52	134
Group profit	143	110	140	108	279
Minority interests	1	0	0	(1)	1
Profit attributable to Danske Trælast	142	110	140	109	278

Movements in exchange rates did not have any significant effect on turnover or earnings.

Balance sheet

Assets	30 June		31 December
	2002	2001	2001
DKK million			
Non-current assets			
Intangible fixed assets:			
Goodwill	823	859	843
Total intangible fixed assets	823	859	843
Tangible fixed assets:			
Land and buildings	2,456	2,361	2,397
Other equipment, plant and machinery	328	406	344
Tangible fixed assets under construction and prepayments on tangible fixed assets	77	33	48
Total tangible fixed assets	2,861	2,800	2,789
Long-term financial assets:			
Deferred tax assets	7	19	11
Total long-term financial assets	7	19	11
Total non-current assets	3,691	3,678	3,643
Current assets			
Stocks:			
Goods for resale	2,007	2,136	1,895
Total stocks	2,007	2,136	1,895
Debtors:			
Trade debtors	1,828	1,780	1,269
Other debtors	197	165	160
Prepayments and accrued income	12	11	25
Total debtors	2,037	1,956	1,454
Securities	203	195	202
Cash at bank and in hand	53	62	70
Total current assets	4,300	4,349	3,621
Total assets	7,991	8,027	7,264

Balance sheet

Equity and liabilities DKK million	30 June		31 December
	2002	2001	2001
Shareholders' equity			
Share capital	473	472	473
Share premium	37	35	37
Reserves	0	1	1
Retained profit	2,322	2,095	2,171
Proposed dividend	0	0	85
Total shareholders' equity	2,832	2,603	2,767
Minority interests	10	8	10
Provisions			
Pension liabilities	14	11	13
Deferred tax	150	152	150
Total provisions	164	163	163
Non-current liabilities			
Convertible bonds	0	6	0
Bank debt	501	541	540
Mortgage debt	980	931	903
Other creditors	220	177	177
Total non-current liabilities	1,701	1,655	1,620
Current liabilities			
Current portion of non-current liabilities	61	62	80
Bank debt	1,527	2,007	1,638
Trade creditors	1,157	1,045	445
Other creditors	535	476	531
Accruals and deferred income	4	8	10
Total current liabilities	3,284	3,598	2,704
Total liabilities	4,985	5,253	4,324
Total equity and liabilities	7,991	8,027	7,264

Group cash flow statement

DKK million

	2nd quarter		1st-2nd quarter		Full year
	2002	2001	2002	2001	2001
Operating activities					
Operating profit before goodwill amortisation (EBITA)	252	219	294	272	619
Depreciation and other non-cash items	76	48	132	102	232
Change in current assets and current liabilities	(201)	(220)	(12)	(167)	17
Cash flow from operating activities before financial items	127	47	414	207	868
Interest received	13	14	27	24	60
Interest paid	(45)	(58)	(89)	(109)	(214)
Cash flow from ordinary activities	95	3	352	122	714
Corporation tax paid	(10)	(18)	(58)	(61)	(137)
Cash flow from operating activities	85	(15)	294	61	577
Investing activities					
Acquisition of activities	(2)	(95)	(7)	(109)	(194)
Divestment of activities	0	0	0	0	60
Receivables from divestment of activities	0	0	6	0	(24)
Acquisition of tangible fixed assets	(87)	(136)	(158)	(239)	(392)
Disposal of tangible fixed assets	42	16	46	56	103
Receivables from disposal of tangible fixed assets	(26)	0	(26)	0	0
Cash flow from investing activities	(73)	(215)	(139)	(292)	(447)
Financing activities					
Net change in non-current liabilities	90	(213)	48	(324)	(283)
Dividend to shareholders	(83)	(84)	(83)	(84)	(84)
Acquisition of own shares	(12)	0	(12)	(14)	(14)
Cash flow from financing activities	(5)	(297)	(47)	(422)	(381)
Cash flow of the period	7	(527)	108	(653)	(251)
Net bank debt at the beginning of the period	1,287	1,234	1,366	1,119	1,119
Currency translation	(9)	(11)	13	(22)	(4)
Cash flow of the period	(7)	527	(108)	653	251
Net bank debt at the end of the period	1,271	1,750	1,271	1,750	1,366

Financial highlights of the business areas

DKK million	2nd quarter		1st-2nd quarter		Full year
	2002	2001	2002	2001	2001
Building material merchants					
DDT Detail, Denmark					
Net turnover	1,602	1,535	2,796	2,705	5,631
Adjusted operating profit	96	91	124	120	282
Adjusted operating profit as a percentage of turnover	6.0	5.9	4.4	4.4	5.0
Adjusted capital employed	1,316	1,298	1,316	1,298	1,165
Adjusted operating profit as a percentage p.a. of adjusted capital employed	29	28	19	19	24
Starkki, Finland					
Net turnover, EUR million	114	110	190	188	380
Net turnover	848	822	1,410	1,402	2,835
Adjusted operating profit	41	36	51	44	114
Adjusted operating profit as a percentage of turnover	4.8	4.4	3.6	3.1	4.0
Adjusted capital employed	164	190	164	190	232
Adjusted operating profit as a percentage p.a. of adjusted capital employed	100	76	62	46	49
Beijer Bygghandel, Sweden					
Net turnover, SEK million	953	915	1,671	1,616	3,367
Net turnover	774	749	1,357	1,330	2,714
Adjusted operating profit	45	29	29	12	38
Adjusted operating profit as a percentage of turnover	5.8	3.9	2.1	0.9	1.4
Adjusted capital employed	424	442	424	442	424
Adjusted operating profit as a percentage p.a. of adjusted capital employed	42	26	14	5	9
Neumann Bygg, Norway					
Net turnover, NOK million	186	171	320	314	659
Net turnover	183	159	311	289	610
Adjusted operating profit	8	4	7	3	11
Adjusted operating profit as a percentage of turnover	4.4	2.5	2.3	1.0	1.8
Adjusted capital employed	108	158	108	158	134
Adjusted operating profit as a percentage p.a. of adjusted capital employed	30	10	13	4	8
Total building material merchants					
Net turnover	3,407	3,265	5,874	5,726	11,790
Adjusted operating profit	190	160	211	179	445
Adjusted operating profit as a percentage of turnover	5.6	4.9	3.6	3.1	3.8
Adjusted capital employed	2,012	2,088	2,012	2,088	1,955
Adjusted operating profit as a percentage p.a. of adjusted capital employed	38	31	21	17	23

Financial highlights of the business areas

DKK million	2nd quarter		1st-2nd quarter		Full year
	2002	2001	2002	2001	2001

DIY stores

Silvan Chain

Net turnover	537	497	914	816	1,658
Adjusted operating profit	44	44	53	52	97
Adjusted operating profit as a percentage of turnover	8.2	8.9	5.8	6.4	5.9
Adjusted capital employed	324	341	324	341	348
Adjusted operating profit as a percentage p.a. of adjusted capital employed	54	52	33	30	28

Import and Wholesale

Net turnover	408	480	808	964	1,779
Adjusted operating profit	7	7	14	23	28
Adjusted operating profit as a percentage of turnover	1.7	1.5	1.7	2.4	1.6
Adjusted capital employed	357	503	357	503	380
Adjusted operating profit as a percentage p.a. of adjusted capital employed	8	6	8	9	7

Undistributed items

Net turnover	(144)	(159)	(270)	(314)	(588)
Adjusted operating profit	(21)	(17)	(36)	(31)	(52)
Adjusted operating profit as a percentage of turnover	-	-	-	-	-
Adjusted capital employed	(8)	37	(8)	37	24
Adjusted operating profit as a percentage p.a. of adjusted capital employed	-	-	-	-	-

Total Group

Net turnover	4,208	4,083	7,326	7,192	14,639
Adjusted operating profit	220	194	242	223	518
Adjusted operating profit as a percentage of turnover	5.2	4.8	3.3	3.1	3.5
Adjusted capital employed	2,685	2,969	2,685	2,969	2,707
Adjusted operating profit as a percentage p.a. of adjusted capital employed	33	26	18	15	19

Intercompany turnover has not been eliminated in the segmental figures above. Eliminations are included in "Undistributed items".

In the information on the Group's business areas and divisions, the term **adjusted operating profit** represents operating profit before goodwill amortisation plus interest from trade debtors but less market rent, irrespective of whether own or rented premises are used. This ensures comparability between the individual business areas.

In addition, **adjusted capital employed** represents operating equipment, stocks and debtors less non-interest-bearing debt.