



# GRANINGE

Stockholm, 4 April 2001

## Graninge and Närvärme buy Norrtälje Energi AB

**Graninge AB and Närvärme Sverige AB have jointly purchased all of the shares in the municipally owned energy company Norrtälje Energi AB, NEAB. Graninge has acquired the transmission networks and electricity sales business, with annual power turnover of 240 GWh and 14,000 customers, while Närvärme has acquired the district heating business, with 125 GWh and broadband operations.**

The negotiations were closed on Wednesday when the preliminary agreement was signed. The purchase price of MSEK 201 plus redemption of the company's loans will provide the municipality with total proceeds of MSEK 400.

The deal will be finalized after receiving the approval of the Municipal Commissioner of Norrtälje. The transaction will affect 38 employees at NEAB, all of whom will be offered employment in either Graninge or Närvärme. Both electricity and district heating customers are guaranteed unchanged or lower rates until the end of 2002. Municipal Commissioner Christer Candal (m) is highly satisfied with the agreement:

"I think it's a good arrangement. It offers job security for the employees, a substantial reinforcement of the municipality's finances and continued control for the local residents, since the municipality will be represented on the boards of the two companies. Now the agreement will be put before the municipal council for approval."

### **Greater freedom of action**

Lars Enslöf, Graninge's Managing Director and CEO, is pleased that the agreement will mean further expansion in connection with Graninge's operating areas in the Stockholm region:

"The acquisition will increase Graninge's share of customers in the Stockholm area by around 15 per cent. As such, Norrtälje is a valuable complement to our operations. The transaction will consolidate Graninge's position and provide scope for greater freedom of action in the future."

"The fact that the company's electricity and district heating operations have different owners will generate sharper competition between the energy types, something that will benefit customers in the municipality," says Stefan Landgren, Managing Director of Närvärme Sverige:

“At N rvarme Sverige we have then refined this concept over the years in our various N rvarme companies. As a result, it is exciting to have the opportunity to draw on these experiences for further development of district heating operations in Norrt lje.”

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