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Accent and Nordic Capital sell Elmo Leather

Nalle Johansson, President, and Anders Bengtsson, Executive Vice President, have today acquired 100 per cent of the shares in Elmo Leather AB. The sellers are Accent Equity Partners and Nordic Capital Fund II.

The Elmo Leather Group is the world's largest manufacturer of exclusive furniture leather and one of the six biggest suppliers of leather to the automotive industry. The company develops, manufactures, markets and sells Elmo leather on over 40 markets worldwide. More than 95% of sales are generated on markets outside Sweden. Marketing is handled in-house and, on certain markets, by independent sales representatives.

The company has an annual turnover of about SEK 750 million and nearly 350 employees.

From 2004, Elmo Leather's production of leather has been concentrated to the parent company's facilities in Svenljunga, Sweden. In February 2004, Elmo Leather opened a new production unit in Wismar, Germany for the cutting of leather for the automotive industry.

"Nordic Capital has participated in a restructuring and refocusing of energies on the Swedish parent company," says Morgan Olsson, Chairman of Elmo Leather. "Following the forceful steps that have been taken to create good future prospects for Elmo, it feels very good for us to pass the baton to the company's management."

"It has been important for us to find a solution where both ownership and operations remain in Sweden," says Håkan Söderbäck of Accent Equity Partners. "The management has created a good base from which the company can continue to develop. Today's deal is a good solution for both the company's customers and its employees."

"We have had good owners who have taken great responsibility for Elmo's development," says Nalle Johansson, President and new principal owner. "We see great development potential for Elmo and are both humble and inspired in the face of the future. The new ownership does not entail any changes for the operations. We will continue to develop high-quality furniture and automotive leather in partnership with our international customers."

For further information, please contact Nalle Johansson, President, Elmo Leather, +46 325 66 14 00, Morgan Olsson, Nordic Capital, +46 8 440 50 52, or Håkan Söderbäck, Accent Equity Partners, +46 8 545 073 03.