



Press Release

Trelleborg, August 23, 1999

Trelleborg increases efficiency of Group's industrial hose production

As part of efforts to increase the efficiency of industrial hose production within the Group, Trelleborg is to implement a program of restructuring and rationalization with the aim of concentrating the product range at each production unit.

For the Trelleborg units involved, this means the focus will be on braided hose and hand-built and super-light hose products. Other products and technologies will be concentrated and coordinated within Trelleborg Industrial Hose's principal plant at Palport in France.

The restructuring program will result in a workforce reduction of approximately 50 jobs in Trelleborg. Employee codetermination information was published on August 20 and negotiations with employee representatives will start in the immediate future.

The measures to raise the production efficiency of Trelleborg's industrial hose operations are part of the structural program for the Group's Industrial Sector that was presented at the Trelleborg Annual General Meeting in April. The program, which mainly affects the Sector's European units, is expected to result in approximately SEK 250 M being charged against Group earnings. The program is expected to generate a positive effect of around SEK 75 M on annual earnings, commencing in year 2001.

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