

Press Release

November 2, 1999

Gränges to sell its foil-business Eurofoil to VAW

Gränges has signed a Letter of Intent to sell its foil business, Eurofoil, to the German company VAW aluminium AG (VAW). Eurofoil has annual sales of approximately MSEK 1,400 and employs around 460 people. Eurofoil has production facilities in Skultuna (Sweden), Flemalle (Belgium) and Dudelange (Luxembourg) and has an annual production of around 60,000 tonnes of thin aluminium foil. The purchase price amounts to SEK 1.1 billion (enterprise value) and will result in a pretax capital gain of approximately SEK 0.6 billion.

“The divestiture of Eurofoil is part of Gränges strategy to strengthen the company by continuing to concentrate the core business. Gränges’ primary focus is to serve the customer segments engineering, telecom, transportation and construction with value-added products and systems based on the light materials aluminium and plastics. We strongly believe that VAW offers a better environment to encourage further growth of Eurofoil,” says Staffan Bohman, CEO of Gränges.

VAW is one of the larger aluminium companies in Europe. In 1998, the company generated revenues of about DEM 6 billion. VAW employs a workforce of 15,600 worldwide.

The transaction is expected to close in January, 2000 and is subject to customary government approvals.

For further information please contact Cecilia Lager, Vice President Gränges Investor Relations & Communication, tel +46 70 666 59 41 or Fredrik Rystedt, Vice President Gränges Business Development, tel +46 70 759 59 27.

Gränges is an international industrial group focused on value-added products based on the light materials aluminium and plastics. The products range from extrusions, heat transfer material to components and systems in plastics to the transport industry. The group is one of Europe leading companies within its field serving the customer segments engineering, telecom, transportation and construction. Gränges is quoted on the OM Stockholm Exchange "A-list".

Visit Gränges web site on the Internet: www.graenges.se