



PRESS RELEASE

Atle-owned trading house Gadelius acquires Geo. Wehry International

- **Swedish-Japanese trading house Gadelius is acquiring Geo. Wehry International, with sales of over SEK 200 m.**
- **This deal pushes Gadelius's sales through the SEK 1 bn barrier—twice the level coincident with Atle's 1998 take-over.**
- **The deal will lift Gadelius's earnings in 2000, and thereby Atle's.**

Geo. Wehry International is a trading house that deals in food additives and meat processing machinery. The company, with its main customers in the Japanese food industry, has sales of JPY 2.5 billion, translating to over SEK 200 m.

This acquisition implies that since Atle acquired Gadelius in 1998, Gadelius has more than doubled sales from SEK 550 m, to well over SEK 1 bn. Led by its President Hans-Bertil Håkansson, the company's strategy is to maintain expansion by a combination of organic growth and acquisitions. Previous major acquisitions include packaging company Norden Pacs's Japanese subsidiary, as well as med-tech player Mansson; both were acquired in 1998. New acquisitions are expected in the foods and IT segments, where Gadelius perceives major expansion opportunities.

Hans-Bertil Håkansson, Gadelius KK's President reported that "the present restructuring of Japanese business is creating a continuous stream of highly attractive acquisition opportunities. In this context, Gadelius intends to exploit those business opportunities where we perceive synergies with our current operations, as well as in foods and IT, which looking ahead, we regard as promising sectors."

"We view the deal with Geo. Wehry International as the first building block in our forthcoming foods segment trading activities—moreover, there are synergies between Geo. Wehry and our Packaging division."

Stig Karlsson, President of Atle Services & Trading said that "the prevailing situation in Japan has created excellent opportunities to expand Gadelius's activities through acquisitions. Our ambition is to utilise forthcoming acquisitions to create one of Japan's leading European-owned trading houses—we also look forward to extending operations into the IT sector."

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Atle AB (publ)

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Gadelius—key facts

The Gadelius trading house provides products for industrial niche markets across an array of segments, such as equipment for the construction and packaging industries, as well as the environmental sphere, and now, the food industry. Gadelius primarily represents small and medium-sized Swedish companies like the Atle-owned Alimak and Luma Metall, ABB Ventilation Products, Nobia Nordisk Bygginteriör and Trelleborg. Gadelius also exports products from Japan, foremost to the European electronics and engineering industries.

Gadelius was acquired by Atle in 1998.

Atle—key facts

Atle invests in private equity, implying the company investing in unlisted companies, playing an active role in their development. After a few years of active involvement, Atle secures portfolio companies the appropriate status by means of a market listing or merger, thereby realising value growth.

Since inception in 1992, Atle has invested in approximately 200 companies, and exited from over 100, generating annual returns on exits exceeding 50%. Atle maintains a high deal tempo, acquiring about 20 companies every year.

Since 1993, group earnings growth has advanced uniformly from SEK 373 m to SEK 953 m in 1998.

Atle, quoted on the Stockholm Stock Exchange's A-list, has about 15,000 shareholders.