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Hexagon takes over key components manufacturing from Scania

SwePart Transmission AB, a company within Hexagon's business area Hexagon Engineering, has today signed a supply agreement that represent that the company during a three year period, as of summer 2007, takes over Scania's component manufacturing in Sibbhult of cog-wheels and axles for Scania's gear boxes with a turn over of approximately 250 MSEK. The agreement also includes the production of universal joints and differential spiders which will be moved from Scania in Södertälje, Sweden to SwePart Transmission's new production facilities in Sibbhult, Sweden. As part of this deal SwePart Transmission acquires required fixed assets from Scania.

In relation to the take over, SwePart Transmission will employ approximately 50 people, and implement an investment program to modernise and expand the plant. The investment affects the financials of Hexagon for 2007.

"This component manufacturing unit at Scania adds new elements such as hardening and shaving of cog wheels that will make SwePart Transmission a more complete manufacturer of transmissions. Our increased cooperation with Scania also offers great advantages in terms of experience exchange between the companies", says Ola Rollén, CEO and President of Hexagon AB.

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Hexagon AB is a global technology group with strong market positions within measurement technologies, polymers and key components. Hexagon's vision is to be number one or number two in each strategic business area. The group has about 8 200 employees in 30 countries and net sales in the present organization of about 13 000 MSEK.

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