



PRESS RELEASE
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Opcon reorganises to achieve faster growth and sharpen Group focus on energy and environmental technology

Opcon is reorganising its activities in three new business areas. The purpose is to strengthen the strategic concentration on products and systems for more effective energy consumption and environment-friendly technology. The new business areas will function as self-sufficient units with complete responsibility for profits.

Opcon's three new business areas:

RENEWABLE ENERGY, comprising the following subsidiaries: **Svenska Rotor Maskiner (SRM)**, **Opcon Energy Systems (OES)**, **REF Tech** and **Opcon Autorotor**.

This business area will focus on eco-friendly engineering solutions that contribute to resource-efficient energy consumption using alternative energy forms such as hydrogen, electricity generated from surplus heat, and natural gas. Key activities in this business area are expander-powered systems for generating electricity from surplus heat, advanced products for handling systems for natural gas, and air systems for fuel cells.

Growth will primarily be organic based on in-house developed technologies and products, with some expansion coming from acquisitions.

Svein Valheim, previously president of SEM, will head this business area, while remaining as vice president of the Opcon Group. In connection with this change in organisation, Anders Edström will leave his post as president of Opcon Energy Systems (OES).

ENGINE EFFICIENCY, comprising the following subsidiaries: **SEM**, **Laminova**, **Lysholm Technologies**, **Opcon Inc., USA** and **Opcon Technology Suzhou (OTS)**. This business area will focus on energy-efficient components that initiate, generate and convert power. The products and systems in this business area are primarily used in the auto sector. In addition to traditional fuels, development will focus, on alternative fuels such as ethanol, biogas, natural gas and hydrogen.

Growth will be organic, with complementary acquisitions.

Tom Gustavsson, previously president of REAC, will head the business area.

MOBILITY PRODUCTS, comprising the following subsidiaries: **REAC** and **Mitec**. This business area will concentrate on technology for positioning, movement and regulation. Activities will focus on the development and production of products and systems for electrical vehicle platforms, everything from advanced equipment for the disabled such as electrical wheelchairs, to components for electrical vehicles, including the American electricity-powered sports car, Tesla Roadster.

Growth will primarily be achieved through acquisitions that have been identified.

The head of the business area will be appointed during the spring of 2007. Tom Gustavsson will remain as president of REAC.

“The organisational changes we are now making are based on the strategic development work we carried out last autumn and the significant business potential we have identified within the framework for Renewable Energy within our subsidiary Opcon Energy Systems, among others. We expect to receive several breakthrough orders here in the first quarter of the year. In our work during the autumn and winter we have noted an increasing need for a new and more focused organisation. In order to avoid a loss of tempo we have decided to implement this organisation change quickly. This will mean that we will bear some of the costs of re-organisation in the 2006 accounts in the form of adjusted asset values, reserves for staff changes and market and development costs,” says Rolf Hasselström, CEO of the Opcon Group.

“The strategic review will also affect the composition of the Group in 2007. We will assess the roles of individual companies in the Opcon Group in terms of our focus on energy and environmental technology,” adds Rolf Hasselström.

“The growth potential in the energy and environmental technology sectors in which Opcon operates are large, and organisational change is a pre-condition for us succeeding in our work on alternative energy sources, including generation of electricity from surplus heat. With a more sharply focused strategy we will find it much easier and quicker to get the right results from our efforts. In 2007 our focus will be on building our organisation and creating the right conditions for the high growth we expect to see in the second half of the year and beyond,” says Mats Gabriellsson, chairman of the Board.

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Opcon is an industrial Group with activities in Sweden, the US and China. The Group comprises the parent company, Opcon AB, and nine subsidiaries - SEM, REAC, Svenska Rotor Maskiner (SRM), Opcon Energy Systems (OES), Lysholm Technologies, Opcon Autorotor, Laminova Production, Opcon Inc. and Opcon Technology Suzhou (OTS). There are around 400 employees. The company's shares are listed on OMX Nordic Exchange.