

Cardo Door buys Hafa

Cardo makes acquisition in Germany and becomes largest in Europe in dock loading equipment

Cardo Door AB has acquired all the shares in the German company Hafa - Alten Gerätebau GmbH and its subsidiaries - which is Europe's largest manufacturer of dock loading equipment. Hafa has approximately 170 employees and turnover in 1997 amounted to about DEM 110 million. The vendor is the Alten family. This acquisition is part of Cardo Door's strategy for continued growth in the dock loading area.

By means of this acquisition, turnover in Cardo Door's dock loading area is being more than trebled, and the company is advancing from second position to become the market leader in Europe. In Hafa, Cardo Door is also gaining access to a very strong brand.

Cardo's president and CEO Kjell Svensson:

"Hafa is a very well run company with good management and good profitability. This acquisition provides Cardo Door with valuable competence in the dock loading area at the same time as I see good prospects of achieving synergy effects in both production and marketing. We will now also enjoy a strong position in the major German market, where so far Cardo Door has not been active as regards dock loading equipment."

Hafa is the market leader in Germany, which is the biggest market in terms of sales, as well as in Denmark. The company also has good market positions in France and Great Britain.

Hafa, which was founded in 1959 by the engineer Kurt Alten, has its main plant in Wennigsen outside Hannover. It has its own subsidiaries in Italy, France, Switzerland and Britain, and also has an extensive distribution network. Most of production, which mainly relates to dock levellers and shelters, is carried out by subcontractors.

Dock loading equipment includes dock levellers, shelters and load houses - products that contribute towards a working environment for loading and unloading that is rational, energy-saving and protected from the weather. These products can be supplied separately or together with industrial doors as complete dock loading systems in connection with the door opening.

Cardo Door, which is a business area of the Cardo group, is one of the world's largest manufacturers of industrial doors and one of Europe's largest manufacturers of residential garage doors. The product range also embraces special-purpose doors used, for example, in aircraft hangars, rapid-action rolling doors, door-operating equipment with attendant automation as well as complete dock loading systems, an area where Cardo Door will be largest in Europe after its acquisition of Hafa.

Cardo Door's trademarks for industrial doors are Crawford and Clever, which together with Hafa are also trademarks for dock loading systems, Faltec, Alsta and Allhabo. Residential garage doors are marketed under the Normstahl, Crawford and Car-In trademarks.

After the acquisition of Hafa, Cardo Door's annual turnover will amount to approximately SEK 4.1 billion, and the number of employees will be about 3,300. This acquisition will be reported to the Bundeskartellamt competition authority in Germany for approval.

This acquisition is expected to have a marginally positive effect on Cardo group earnings in 1999.

Malmö, December 10 1998

Cardo AB (publ)

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Cardo is an international engineering group with a turnover of approximately SEK 8 billion in 1997. Cardo holds a strong position in the markets for industrial doors, residential garage doors, centrifugal pumps and rail-vehicle brake systems. Cardo has subsidiaries in about 30 countries with the focal point resting in western Europe, and roughly 7,500 employees. The head office is in Malmö, Sweden.