



PRESS RELEASE

Today Gislaved Gummi AB, a member of the Hexagon Group, has acquired 53.5 % of the shares in Elastomeric Engineering Company Ltd, Sri Lanka (EEC).

EEC, listed on the Columbo Stock Exchange market, is an industrial rubber company. In 1998, the turnover is estimated to approximately MSEK 60. The company has 480 employees.

“The acquisition is another step in Gislaved Gummi globalisation and will give the Hexagon Group a positive result effect already this year”, says Börje Andersson, Managing Director of the Hexagon Group”.

“We have co-operated with EEC during a number of years and consequently we know the company very well. The co-operation has developed positively during these years. The acquisition as such will give us some synergies both product and marketwise. I refer to gaskets for heat exchanger and industrial wheels. Shortly, we will make a mandatory offer for all the remaining shares of EEC”, says Roland Folkesson, Managing Director of Gislaved Gummi AB.

Hexagon is an industrial and commercial group whose business concept is to acquire medium-sized industrial companies and develop them in long term. The company is listed on the Stockholm Stock Exchange and, in 1997 the turnover amounted to SEK 4.2 billion.

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