



Kristianstad 2006-12-19

Press release

## **Bong advances on German direct mail market**

Bong has signed an agreement to buy 50 percent of German envelope printer Lober. Lober is located close to Augsburg in southern Germany and is specialized in printing envelopes, mainly for the direct mail market. The annual turnover is around Euro 8 million.

“With an ownership stake in Lober, we take an important step into the growing German direct mail market” says Anders Davidsson, President & CEO of the Bong group. “In co-operation with Lober, we are able to offer quick deliveries of high quality printed envelopes, also in small quantities. As direct mail is getting more and more targeted and as speed is increasingly important, we believe that the winners will be fast and flexible units, such as Lober, with the ability to meet unique customer needs within 24 or 48 hours. Furthermore, Lober strengthens our position in the south of Germany where our presence so far has been limited.”

Lober was founded in 1978 by Helmut Lober and has for the last 10 years been successfully run by Stephan Lober, his son. The company will continue to operate as an independent business with Stephan Lober as managing director and shareholder. Bong has an option to acquire the remaining 50 percent of the company in 5 years.

“In this type of business, we think it is a clear advantage to run the operations in a small-scale, highly entrepreneurial way. Our best guarantee for success is that Stephan Lober stays on board as managing director with an important personal ownership in the company” Anders Davidsson concludes.

The acquisition will be effective on January 1, 2007 and will be financed by taking up new loans. Lober is estimated to contribute positively to Bong’s results in the first quarter 2007.

For additional information, please contact Anders Davidsson, President and CEO of Bong Ljungdahl AB.

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*Bong is one of Europe’s leading envelope companies. The Group has annual sales of approximately SEK 2 billion, some 1,400 employees and an annual manufacturing capacity of around 18 billion envelopes at its factories in Sweden, Denmark, Norway, Finland, Poland, Germany, Belgium, the UK, Ireland, Russia, Estonia and Lithuania. Bong has a very strong market position, particularly in Northern Europe, and conducts sales and marketing in thirteen European countries through its own sales organisations. The Group sees attractive opportunities for further expansion and development. Bong is a publicly listed company and its shares are quoted on the Stockholm Stock Exchange.*