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PRESS RELEASE

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Good earnings continue

"Scancem's net profit before tax is in excess of SEK 150 million, more than double what it was the same four-month period in 1998. If we calculate a pro forma profit, excluding Finnsementti and Lohja Rudus which we have divested, but calculate a fictitious interest on the purchase price, net profit will reach about SEK 180 million."

Scancem's CEO Bo Jacobsson made this statement at Group's Annual General Meeting in Malmö on Wednesday. He also commented how the share price and market capitalization had developed:

"Now we can study the development of the Scancem share with a certain pride – from slightly less than SEK 250 in December 1998 to almost SEK 400 today. I see this as proof that we have taken the right steps. Since December of last year, our market capitalization has increased about SEK 8 billion or more than 60 percent to approximately SEK 21 billion."

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The Annual General Meeting approved a dividend of SEK 12 per share, of which SEK 4 is a result of the capital gain on the sale of Gyproc Group. All members of the Scancem board were reelected.

Today, Scancem is Europe's sixth largest cement and building materials company and the Group is strongly positioned in mainly the Baltic Sea and North Sea regions. The Group is a leading player in the international cement trading market with operations in the U.S., West Africa and Asia. Scancem is active in approximately 30 countries. Sales in 1998 amounted to SEK 16.5 billion and the number of employees is approximately 11,000. Scancem is listed on the Stockholm Stock Exchange.