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Press release

HEXAGON INVESTS IN NEW PRESS LINE

Hexagons business area Engineering invests 70 MSEK in its subsidiary EBP i Olofström AB (EBP).

The project will propel EBP to become one of Europe's most competitive and complete suppliers of sheet metal parts to the automotive industry's aftermarket. EBP will offer project management, stamping, assembly, painting as well as final customer designed packing with bar codes via electronic communication.

The project includes a large, flexible sheet metal press line. The line becomes one of the largest, of its kind, in Europe. It is designed to stamp large parts with multiple tooling changes. It will also be equipped with an automated final assembly and packing line for direct deliveries to EBP's customers.

The investment of 70 MSEK will be spent over a two year period. The project will lead to profit improvements as of 2005.

EBP is today supplying the Swedish and German automotive industry and will with this investment continue its expansion to selected customers in Europe.

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Hexagon AB is a multinational engineering group with the long-term ambition of positioning itself as number one or number two within its strategic sectors. The operation is divided into four business areas: Hexagon Automation, Hexagon Engineering, Hexagon Metrology and Hexagon Polymers. The group's targets are to increase earnings per share after tax by at least 15 per cent p.a., and achieve a return on capital employed higher than 15 per cent over the business cycle. Current turnover amounts to more than 7 GSEK p.a.