



P R E S S R E L E A S E

Stockholm, Sweden June 18, 2007

KMT divests KMT Ursviken and streamlines operations to three business areas

KMT's Board of Directors has approved the divestment of subsidiary KMT Ursviken to the Finnish venture capital fund Sentica. The divestment of Ursviken follows on from earlier divestments of the subsidiaries Herber and Pullmax, and represents the final phase in the discontinuation of the KMT Sheet Metal Working business area.

The purchase consideration amounts to approximately SEK 100 M, which is expected to generate a capital gain of about SEK 50 M. The operation will be removed from the Group accounts as of June 25, 2007.

The buyer, Sentica, already owns companies within the field of sheet-metal working and intends to create a new corporate Group based on Pivatic, one of these companies, and Ursviken.

"For a long time, we have been streamlining the Group to include three business areas, namely, advanced equipment for waterjet cutting and robotic system solutions within this segment, and machines for precision grinding of ball bearings and other components requiring high precision. My assessment is that Ursviken's new ownership will provide a better possibility for the company to develop, while our operation will be concentrated further," says Lars Bergström, KMT's CEO.

KMT Ursviken produces and markets advanced sheet-metal working machines, such as press brakes and guillotine shears. In 2006, sales amounted to SEK 187 M. The number of employees amounts to slightly more than 80.

For further information, contact:

Lars Bergström, President and CEO, KMT Group AB

Tel: +46 (0)8-594 211 50 or by e-mail: lars.bergstrom@kmtgroup.se

www.kmtgroup.com

KMT is a leading producer of advanced production solutions in Waterjet Cutting, Robotic Solutions, Precision Grinding, and Sheet Metal Working for engineered products. KMT solutions are found primarily in the automotive, electronics, and household appliance industries. KMT creates value through precision – from design and delivery to the customer's end product. KMT is traded on the OMX Nordic SmallCap list in Denmark, Finland and Sweden.