
Cell Impact establishing customer center in Japan

In autumn 2007, Morphic Technologies' subsidiary Cell Impact plans to establish a customer center outside Tokyo in Japan for the production of fuel cell components. The facility will offer customers on all Asian markets production services and fine adjustment of flow plates for their fuel cells.

"The investment is an important element in Morphic's establishment on the Asian market. There is an enormous amount of interest in fuel cells in countries such as Japan, China and Korea. Looking at investments and projects, the region is about to surpass both the USA and Europe as regards the production of commercial applications for fuel cell technology", says Martin Valfridsson, President at Cell Impact AB.

The aim of the test center is to show, in situ, the way flow plates for fuel cells can be produced less expensively and of higher quality using Morphic's technology as compared to today's conventional methods. The flow plates constitute one of the fuel cell's key components, and their design is crucial to performance as well as overall cost. Existing and potential customers will be able to produce test series in the facility, before ramping up for series production. Production series manufacture can then be carried out in Cell Impact's production plant in Sweden or directly adjacent to the customer, when the production volume is large enough to justify the establishment of a production facility close to the customer.

"The customer center allows us to increase our level of service in Asia, and also makes it possible for considerably larger teams within the companies to participate in the fine adjustment of products. In this way, we will further increase the understanding of the technology's potential, which may lead to subcontract production work for components other than flow plates. Several of the customers we work with are just about to have a wide introduction onto the market, and reducing the time until they are established on the market rates highly on their agendas", says Martin Valfridsson.

Several agreements with Asian operators

Within a short space of time, the Morphic Group has entered into several agreements with Asian operators. All collaborative agreements are aimed at the development, manufacture and evaluation of flow plates for fuel cells in vehicle applications, mobile telephony, portable computers and consumer electronics. Cell Impact's standard collaborative agreement covers the work process from introductory specification work, through manufacture and assessment of prototypes, to quotation for volume quantities.

About Morphic's technology

The method used by Morphic is based on "adiabatic softening". Instead of milling, casting or pressing to produce the components, the basic material (e.g. steel) is exposed to an extremely high velocity, very powerful impact. When the impact tool strikes the basic material, it softens and becomes malleable for a very short time. The result is a perfectly formed component with no cracks, deformations or material

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wastage. Among the foremost advantages of the method are lower costs, a higher level of efficiency, faster pace of production and a reduced impact on the environment.

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Morphic Technologies is a Swedish industrial group that specializes in energy systems for renewable electricity production as well as resource-light production techniques for efficient component manufacture. The operations are located in Karlskoga, Filipstad, Kristinehamn and Göteborg, Sweden. The Company's class B shares are listed on the Stockholm Stock Exchange's trading site, First North, with Remium Securities as Certified Advisor. For more information, see www.morphic.se

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