

FinnvedenBulten grows its light weight business

- Signs agreement to form joint venture in China and receives significant order

FinnvedenBulten announces today that the division Finnveden Metal Structures has signed an agreement with Beijing Hainachuan Automotive Parts Co., Ltd (BHAP) and Amgain Shandong Magnesium Co., Ltd (Amgain) to form a Joint Venture for manufacturing of light weight die casted components in China. Simultaneously, the division has received a significant order from a European automotive manufacturer to deliver die cast magnesium structures. The annual value of the order is approximately 80 MSEK and the contract runs for about ten years. Both these events further strengthen FinnvedenBulten's position within die casted magnesium components.

FinnvedenBulten's division Finnveden Metal Structures will, through a total investment of approximately CNY 44 million, become the largest shareholder in the joint venture with a 40 percent ownership. The two other owners BHAP, owned by Beijing Automotive Industry Holding Co Ltd, BAIC, and Amgain will respectively invest CNY 33 million and hold 30 percent each. Thereby, the Group establishes its second operation and production facility in the expanding Chinese market. The agreement is subject to final board approval in FinnvedenBulten.

The operations to be included in the joint venture is an up and running new die casting factory located in Heze City, in the Shandong Province (between Beijing and Shanghai) which will create an excellent platform for the joint venture company with a significant growth potential with customers within the automotive industry, but also within industries such as high speed trains and telecom.

Simultaneously, division Finnveden Metal Structures has received a significant order regarding delivery of die casted magnesium components to an existing customer - a European automotive manufacturer - with the annual value of approximately 80 MSEK that runs for about ten years. Manufacturing will initially take place at the Group's foundry in Bielsko-Biala, Poland, with production starting 2015. Later on the production will also be extended to take place in China.

"Through both these events we clearly strengthen our position within die casted magnesium components, which is strategically important as the industry demand for light weight components gradually increases. In cooperation with BHAP and Amgain we now see significant growth opportunities in the Chinese market together with existing European customers present in China as well as approaching with potential new

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customers through BHAP", says Johan Westman, President and CEO of FinnvedenBulten and head of division Finnveden Metal Structures.

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FinnvedenBulten develops and manages industrial businesses, offering products, technical solutions and systems in metallic materials. The Group operates as a business partner to international customers in the engineering industry, primarily the automotive industry. FinnvedenBulten is structured into two divisions – Bulten and Finnveden Metal Structures – both with strong positions in their respective customer segments. FinnvedenBulten is listed on NASDAQ OMX Stockholm. Further information at www.finnvedenbulten.com.

Division Finnveden Metal Structures manufactures products in steel, magnesium and aluminium, or a combination of those materials. The main manufacturing processes are stamping, die casting and joining. The components include interior, chassis and body parts for the automotive industry, as well as customised components for general industry.