



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

Stockholm, Sweden, October 29, 2007

The Takeover offer from Nordstjernan

The shareholders of KMT Group AB (publ) today received a press release from Nordstjernan containing a public tender offer (the Offer) concerning the acquisition of all of the shares in the company.

KMT's Board of Directors will be convened shortly to evaluate the Offer and intends to return with a statement as soon as possible. The Board of Directors will also commission an independent party to formulate an opinion concerning the fairness of the Offer which will be published at the same time as the Board makes its statement.

The Board of Directors and Management of KMT will not be issuing any further comments concerning the Offer prior to the release of the statement.

Chairman of the KMT Board Mats Heiman has announced that he is disqualified from taking part in the matter and will thus not participate in the Board's processing of the matter or in the statement concerning the Offering.

www.kmtgroup.com

KMT is a leading producer of advanced production solutions in Waterjet Cutting, Robotic Solutions and Precision Grinding 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.