

Press release

Westergyllen streamlines operations – divests Elektromekan subsidiary

Westergyllen is selling the Elektromekan i Årjäng AB subsidiary to Hanzas Elektronika SIA. The sale generates a capital gain for Westergyllen of about SEK 3 M and a cash contribution of about SEK 35 M. Takeover will occur on November 30, 2007.

Hanzas Elektronika is headquartered in Ogre, Latvia. One of the principal owners in Hanzas Elektronika is Åke Hörnell, through his company Hörnell Teknikinvest AB. Other owners are the private equity investor BaltCap Management as well as the company's founder and managing director, Ilmars Osmanis. Hanzas Elektronika is Latvia's largest EMS contractor and has two plants in the country.

"The sale of Elektromekan is a natural step in our process of creating a streamlined group, with focus on medical- and precision technology. At the same time, it has been important for us to find an owner that strengthens Elektromekan's operations," says Göran Brorsson, Managing Director and CEO of Westergyllen. "The combination of Hanzas Elektronika and Elektromekan creates a competitive group, with a stable financial base and a broad service offering that will benefit the companies' customers and employees in the future."

"We are highly pleased to have the opportunity to build a strong Nordic/Baltic group in the EMS industry. The two companies complement each other well and share the common values of efficiency and customer value," says Ilmars Osmanis, Managing Director of Hanzas Elektronika. "The joint expertise combined with production in Sweden and Latvia creates favourable conditions for strong growth going forward. Elektromekan holds a strong position on the Swedish market, with skilled management and a solid organisation. The acquisition of Elektromekan will not result in any changes in the company's organisation."

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For further information, contact Göran Brorsson, Managing Director and CEO, telephone +46 510 48 43 65, +46 705 11 78 60.

Westergyllen's operations encompass the manufacture and marketing of products for industry within the two business areas, Medical Technology and Precision Technology. For additional information, visit www.westergyllen.se.

The information of this press release is of the kind that Westergyllen have to make public according to the law of the securities market and/or the law of trade by financial instruments.

The information was made public on December 3, 2007 at 09.00 (CET)