

PRESS RELEASE

VBG GROUP acquires the German GERWAH Group and expands within the business area RINGFEDER POWER TRANSMISSION

VBG GROUP expands within the business area RINGFEDER POWER TRANSMISSION through the acquisition of the German GERWAH Group with products for mechanical power transmission. The acquisition comprises all shares in the parent company GERWAH GmbH in Grosswallstadt, Germany including a manufacturing company in the Czech Republic and a sales company in the USA and has an annual turnover of approximately MSEK 100 and more than 60 employees.

The acquisition of the GERWAH Group is estimated to be finalized at year end. Thus GERWAH GmbH will be consolidated as of January 1, 2009 and will positively contribute to VBG GROUP's earnings.

GERWAH develops, manufactures and markets shaft couplings and clamping devices for shaft to hub connections and also backlash free couplings and magnetic clutches for electromechanical servo drive systems.

GERWAH has 30 years of experience in its niche and is holding a strong position as a high quality manufacturer of locking elements and clamping devices for mechanical power transmission among others to leading producers of industrial gears. GERWAH is also a supplier of backlash free couplings for servo drive systems to the packaging and machine tool industry.

GERWAH's product offer is complementing the RINGFEDER POWER TRANSMISSION's offer on several important geographic markets.

"GERWAH is a brand with a strong market position and with a potential for continued growth which fits well into our acquisition strategy. Through the acquisition of GERWAH we further strengthen our offer to the important machine industry on the global market, Anders Birgersson, President and CEO of VBG GROUP AB declares.

The business area RINGFEDER POWER TRANSMISSION after the acquisition will have a turnover of more than MSEK 300 with more than 100 employees.

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VBG GROUP AB (publ)

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The VBG GROUP is an engineering Group with manufacturing and sales companies in Europe, India and the USA. The Group's operations are divided into two business areas, VBG GROUP TRUCK EQUIPMENT and RINGFEDER POWER TRANSMISSION, with products that are marketed under strong, well-known brands. The VBG GROUP's Series B share was first listed on the stock exchange in 1987 and is currently listed on OMX Nordic Exchange Mid Cap.