

Press release Stockholm, 25 October 2018

Gränges to improve efficiency and expand capacity in Finspång – investment of SEK 400 million

Gränges has decided to invest SEK 400 million to improve efficiency and expand the production facility in Finspång. The project is expected to be completed in the second half of 2021 and will increase capacity in the plant by 20 ktonnes, to 120 ktonnes annually.

“By streamlining and expanding the facility in Finspång, we create opportunities for a clear improvement of operating results in our European operations. We also take important steps forward in our sustainability efforts by reducing transports and converting from diesel to electric forklifts”, says Gränges CEO Johan Menckel.

The investment includes acquisition of land and buildings, upgrading of rolling mills and relocation of existing machinery, which together significantly improves logistics on site and contributes to an improved environmental footprint. From 2022, positive effects are expected of the investment in terms of both efficiency measures and increased sales, and thus higher profitability.

“We see very good growth for advanced materials for heat exchangers in Europe in the coming years as more consumers are demanding electric and hybrid cars. The fact that we will have a more efficient facility, with better logistics flows, improves our competitiveness while providing opportunity for growth”, says Gränges CEO Johan Menckel.

In Finspång, Gränges produces advanced aluminium materials for heat exchangers to the automotive industry. In 2017, the European market accounted for approximately 18 percent of Gränges sales volume.

The investment will be financed by internally generated funds, existing cash and credit facilities.

For further information, please contact:

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About Gränges

Gränges is a leading global supplier of rolled aluminium products for heat exchanger applications and other niche markets. In materials for brazed heat exchangers Gränges is the global leader with a market share of approximately 20 per cent. The company develops, produces and markets advanced materials that enhance efficiency in the customer manufacturing process and the performance of the final products; brazed heat exchangers. The company's geographical markets are Europe, Asia and the Americas. Its production facilities are located in Sweden, China and the United States, and have a combined annual capacity of 420,000 metric tonnes. Gränges has some 1,600 employees and net sales of more than SEK 11 billion. The share is listed on Nasdaq Stockholm. More information on Gränges is available at granges.com.