

Press release Stockholm, 21 March 2018

Gränges Capital Markets Day 2018

- Review of the company's goals and strategy for 2020
- Good start of the year with strong customer demand in all markets
- A clear growth agenda for the coming years focusing on innovation, expansion and sustainability

Gränges holds its Capital Markets Day in Stockholm on Wednesday March 21. The company presents an overview of its strategy and goals for 2020, and what the company has achieved so far.

"Our focus is on continuing to develop Gränges as a leading niche player in the aluminium industry. Since 2014, we have delivered our financial and operational targets, which has created value for our shareholders. An important milestone was the major acquisition we made in the United States in 2016, establishing our own production facilities in the region while at the same time broadening our product portfolio", says Johan Menckel, CEO of Gränges.

Since its listing in 2014, Gränges has more than doubled sales volume from 160 to 373 ktonnes while adjusted operating profit increased from SEK 463 million to SEK 933 million. The ambition is to continue to grow at a higher rate than the market while maintaining good and sustainable profitability.

"We have seen a good start in 2018 with strong customer demand in all markets. In the US, however, we are limited by the fact that we do not have enough capacity to meet the demand of our customers. The ongoing expansion of the plant in Huntingdon is proceeding according to plan and means that we, during the second half of 2019, will be able to increase production by up to 40 ktonnes annually", says Johan Menckel.

The recent tariffs on imports of aluminium products to the United States have a negative impact on the heat exchanger products that Gränges today imports into the United States. At the same time, demand for domestically produced heat exchanger and foil products in the United States is increasing.

"We are currently investigating the conditions for resuming production at our facility in Newport, Arkansas, to manufacture light gauge aluminium foil for different types of consumer applications. This would be an ideal opportunity for us to upgrade and use the assets we already own, and at the same time address an attractive niche market that was previously largely supplied via imports", says Johan Menckel.

The factory in Newport, Arkansas, manufactured aluminium foil for consumer applications until 2015 and has since been mostly idled supplying only a limited amount of surface treatment business.

Research and innovation is a key area for driving product development and growth in the coming years. This applies especially to the development of products adapted for electric and hybrid vehicles.

"The electric vehicles market is expected to grow sharply over the next decade. For Gränges, there are new business opportunities in materials for brazed heat exchangers. Our strong position in the market for heat exchangers makes us an excellent partner both for our current customers and for new players entering this growth market", says Johan Menckel.

Gränges Capital Markets Day

Gränges Capital Markets Day 2018 takes place in Stockholm on 21 March 2018. Speakers includes Johan Menckel, CEO, Kent Schölin, SVP Research & Innovation, Torbjörn Sternsjö, SVP Technology & Product Development, Sofia Hedevåg, VP Sustainability, Colin Xu, President Asia, Patrick Lawlor, President Americas, and Oskar Hellström, CFO.

Presentations and webcast from Gränges Capital Markets Day 2018 will be available on Gränges website after the event <http://www.granges.com/investors/>

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The information in this press release is such that Gränges must disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on Wednesday 21 March 2018 at 08.00 CET.

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.