



Press release

Trelleborg, May 2, 2023 10:00:00

Trelleborg's divestment of Trelleborg Wheel Systems finalized

Trelleborg Group has finalized the divestment of its Trelleborg Wheel Systems business area to The Yokohama Rubber Co., Ltd. The transaction has received the approval of all the relevant authorities and the remaining necessary documentation has been signed by the parties. The business area is accordingly deconsolidated as of today.

The total purchase consideration amounts to EUR 2.156 billion (approximately SEK 24.425 billion as of today's exchange rate). The purchase consideration includes both the purchase price and earnout, as well as an adjustment of the working capital.

The divestment yields a capital gain of approximately SEK 6.0 billion that will be recognized as non-recurring income in the second quarter of 2023. The positive net effect on equity is approximately SEK 6.4 billion, including impact from currency translations.

"The Group's tire operation has been part of Trelleborg since the beginning in 1905. The decision to divest Trelleborg Wheel Systems was therefore not an easy one. I would like to extend a big and heartfelt thank you to all employees in the business area and wish them and Yokohama Rubber every success in their new corporate constellation," says Peter Nilsson, President and CEO of Trelleborg Group.

"This change means that Trelleborg, as it continues, has a more cohesive portfolio of operations with similar business models and drivers. Furthermore, we increase exposure, in relative terms, to fast-growing industries such as aerospace, healthcare & medical, and several other attractive niches. This offers us a better growth profile," concludes Peter Nilsson.

"Today's divestment follows greater freedom to operate. We now have a net cash position which we will use wisely to continue building an even stronger, more profitable, and valuable company. We assess that over the coming years, there will be greater scope for business acquisitions, repurchase of shares, investments in operations, and dividends that combined will promote increased shareholder value," says Fredrik Nilsson, CFO of Trelleborg Group.

Trelleborg Wheel Systems, with reported annual sales of SEK 13.3 billion in 2022, has been recognized among Assets held for sale in the financial statements.

The press release about the divestment was published on March 25, 2022.

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About Us

Trelleborg is a world leader in engineered polymer solutions that seal, damp and protect critical applications in demanding environments. Its innovative solutions accelerate performance for customers in a sustainable way. The Trelleborg Group had annual sales of about SEK 30 billion in 2022 and operations in about 40 countries. The Group comprises two business areas: Trelleborg Industrial Solutions and Trelleborg Sealing Solutions. The Trelleborg share has been listed on the Stock Exchange since 1964 and is listed on Nasdaq Stockholm, Large Cap. www.trelleborg.com

Attachments

[Trelleborg's divestment of Trelleborg Wheel Systems finalized](#)