

**PRESS RELEASE**

Stockholm, October 5, 2005

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**Great demand for acquiring shares in Indutrade. Price per share set at SEK 65**

- The selling price has been set at SEK 65 per share
- The offering was oversubscribed more than 12 times
- The Indutrade stock is listed on the O-List of the Stockholm Stock Exchange as of today, October 5, 2005.

There has been great interest in Indutrade's shares from the Swedish private investors, as well as from institutional investors in Sweden and abroad. The offering was oversubscribed more than 12 times. The price was set by a form of bookbuilding procedure at SEK 65 per share, which corresponds to a total value of Indutrade of SEK 2,600 million. After the implementation of the offering, the total number of shareholders will be above 6,000. Private investors will hold 8.5 percent of the shares in Indutrade after the implementation of the offering, while institutional investors will hold the remaining 91.5 percent. Foreign ownership is initially expected to amount to around 27 percent.

The offering comprises a total of 25,000,000<sup>1</sup> shares, with full utilisation of the over-allotment option, equivalent to 62.5% of the capital and votes in Indutrade. After the offering, and with full utilisation of the over-allotment option, Industrivärden's holding will amount to 37.5%. The total value of the offering, including the over-allotment option, amounts to SEK 1,625 million.

The Indutrade stock is traded on the O-List of the Stockholm Stock Exchange under the abbreviation "INDT" as of today, October 5, 2005.

Enskilda Securities and Handelsbanken Capital Markets have been joint lead managers and joint bookrunners for the offering.

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<sup>1</sup> The offering comprises 22,000,000 shares. In addition, at the request of the participating banks, Industrivärden has undertaken to sell a maximum of a further 3,000,000 shares to cover the over-allotment of shares. The over-allotment option may be utilised until (and including) November 4, 2005.

**Indutrade in brief**

Indutrade markets and sells components, systems and services with a high technology content to industrial customers within selected niches. The Group creates value for its customers by structuring the value chain and increasing the efficiency of its customers' use of technological components and systems. For the Group's suppliers, value is created through the offering of an efficient sales organization with technical expertise and developed customer relations. The Group is divided into four business areas: Engineering & Equipment, Flow Technology, Industrial Components and Special Products.

Indutrade was formed in 1978 and the Group has since then completed approximately 40 acquisitions, including approximately 20 during the past ten years. The Group's operations are concentrated in markets in Northern Europe. The main markets are Sweden and Finland, which jointly accounted for approximately 74 percent of net sales in 2004.

Over the past ten-year period (1995–2004), consolidated net sales have increased from SEK 1,087 million to SEK 3,486 million and EBITA<sup>1</sup> has risen from SEK 107<sup>2</sup> million to SEK 264 million. Indutrade has been profitable each year since 1978 and during the last 25-year period the company's EBITA margin has never been below 7.0 percent.

In 2004, Indutrade's net sales amounted to SEK 3,486 million and the company reported an EBITA<sup>1</sup> of SEK 264 million, corresponding to an EBITA margin of 7.6 percent, and a profit after financial items of SEK 243 million. The return on operating capital amounted to 26.0 percent. During 2004 the Indutrade Group had an average of some 1,415 employees.

During the first six months of 2005 Indutrade's net sales amounted to SEK 1,823 million and EBITA<sup>1</sup> to SEK 148 million, corresponding to an EBITA margin of 8.1 percent. Return on operating capital amounted to 25.3<sup>3</sup> percent for the most recent 12-months period.

Indutrade's interim report for the third quarter will be made public on November 8, 2005.

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Further information on Indutrade's operations is available from the company's website: [www.indutrade.se](http://www.indutrade.se).

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<sup>1</sup> Operating income (according to IFRS) for the period including reversed amortization/write-downs of intangible fixed assets.

<sup>2</sup> After elimination of non-recurring items.

<sup>3</sup> The Hanwel Group was acquired on June 27, 2005. The balance sheet was consolidated from the acquisition date while the income statement was consolidated from July 1, 2005. Pro forma prior to the Hanwel acquisition, return on operating capital amounted to 27.0 percent.