

6 January 2011

PRESS RELEASE:

Hydraulics company merger aims at global growth

Two Danish companies in the hydraulics industry, PMC Technology A/S in Soeborg and PMC Hydropower A/S in Esbjerg, will merge into a new, powerful company with approx. 180 employees and an expected turnover of DKK 450m. The merger is official as of 1 April 2011, but the new company is already prepared to serve its Danish and international customers as one business unit from the beginning of the year.

Both companies are owned by Swedish PMC Group, one of the leading hydraulics companies in Scandinavia. Internationally, the organisation in Denmark is responsible for global sales to the wind power industry, and the new Danish board of directors is responsible for the management of PMC Group's factories in the US and China, a servicing company in Qatar and the activities of a partner in India. In addition, the Danish company provides its services to a number of major Danish industrial customers on the global market.

- In Denmark we will benefit from implementing the new group strategy for a united organisation. The new organisation will to a greater extent service our customers from locations where the required competencies are present, and hopefully we will get our share of the growth that our global customers are experiencing without sacrificing our focus on the Danish customers, says Erik Holst, CEO.

The board of directors of the new Danish company PMC Technology A/S is membered by Erik Holst, (also a member of the PMC Group management board), Leif N. Dircksen, Director, and Carsten Grue Andreassen, CFO.

To the outside world, the company will market itself as PMC Group™ and provide its services to its customers through three divisions: PMC Windsyn, working with the wind power industry, PMC Technology, working with the Danish market and international industrial customers, and PMC Hydropower, working with the service and offshore market. The board of directors sees a considerable growth potential especially in existing and new wind power customers as well as in international industrial and offshore customers. The ambition is approx. 20% growth in 2011.

Close collaboration between Soeborg and Esbjerg

The merger of the two Danish companies will not bring changes to the number of staff in Soeborg and Esbjerg. 120 people are employed in Soeborg, 60 in Esbjerg. Soeborg will concentrate on industrial assembly of wind power solutions and on international OEM customers. Esbjerg is responsible for the offshore and service business and will focus on assembly and special solutions for Danish customers.

- PMC Group customers range from small metal works to some of the largest industrial companies in Denmark. Our close relations with small and medium-sized companies have contributed considerably to our success over the years, and we will continue our focus on this sector of Danish business, says Leif N. Dircksen, Director.

PMC TECHNOLOGY A/S
Lammefjordsvej 2
6715 Esbjerg N
Danmark

Tel +45 75 14 44 44
Fax +45 75 14 45 45
E-mail info@pmctechnology.dk
www.pmctechnology.dk

CVR nr. 25 29 90 86
Kontonr. 2191 4377991864
SWIFT kode NDEADKKK
IBAN nr. DK 7720004377991864

New opportunities for Danish customers

Danish customers are offered the wide product range of the largest independent hydraulics distributor in Scandinavia, PMC Group of Helsingborg, Sweden, a company with 1,400 employees in 10 countries and a 2010 turnover of more than SEK 3bn. Furthermore, Danish customers will benefit from even more technical expertise because of increased exchange of knowledge within the group and a team of engineers dedicated to solving projects in the Danish market.

The region managed from Denmark with its companies in several countries represents an annual turnover of approx. DKK 600m.

Further information: Please call Erik Holst, CEO, on +45 6120 6100.