



INDUSTRI KAPITAL

ELFA

Press Release

21 June 2006

Industri Kapital to acquire ELFA AB for approximately €130 million

Industri Kapital has signed an agreement with the owners, the Jensen family, to acquire ELFA AB, a leading catalogue distributor of electronic components in northern Europe.

Headquartered in Stockholm (Sweden), ELFA was founded in 1945 by Nils Jensen and has since been owned and managed by his family for more than sixty years.

ELFA markets, sells and distributes electronic components and other technical products to business customers in northern Europe. With over 51,000 customers, 130,000 catalogues distributed annually and 430 employees, ELFA is a leading distributor in the Nordic countries, Poland, the Baltic countries and Russia. ELFA is recognized for its exceptional service level, guaranteeing delivery of products within 24 hours to its customers.

In 2005 the company achieved sales of €88 million (MSEK 815) most of which was derived from the maintenance, repair and overhaul segments. Other important end-user segments include production, R&D and education. ELFA also has a consumer offering through its e-commerce platform www.sovida.com.

The Jensen family will remain as minority shareholders in ELFA.

Ingvar Jensen, chairman of the board of ELFA Holding, said “The world and our market are changing rapidly with escalating international competition. In order to secure continued strong growth we have sought after a new owner with the resources and competence required to grow and develop the company. We are convinced that Industri Kapital is very well equipped to take ELFA forward.”

Samir Kamal, Partner at Industri Kapital, said “We are thrilled over the investment in ELFA. ELFA’s management has built a solid platform based on a state-of-the-art logistics hub in Veddesta, Stockholm, excellent product management and acquisitions in other Nordic countries. We believe there are great opportunities to develop the company further by strengthening ELFA’s market position both organically and through selective acquisitions.

The transaction is subject to customary merger control approvals.

Contacts:

Industri Kapital:

Samir Kamal, Partner

Phone: + 46 8 678 95 28

Anne Holm Rannaleet, Partner

Phone: + 46 8 678 95 50

ELFA AB:

Ingvar Jensen, Chairman of the Board, ELFA Holding AB

Phone: +46 70 680 02 69

Bo Lindqvist, CEO, ELFA AB

Phone: + 46 70 699 42 64

ELFA AB

ELFA was founded in 1945 and has been wholly owned by the Jensen family since 1951. In 2005 ELFA had sales of €88 million (MSEK 815). ELFA has 430 employees of which 320 in Sweden. ELFA's product range spans 65,000 articles and ELFA's business is based on the ELFA catalogue, well-known amongst users of electronic components. ELFA is headquartered in Järfälla just outside Stockholm, Sweden. ELFA also does business through subsidiaries in Finland, Norway, Denmark and Poland. In Eastern Europe the company's products are distributed through agents.

For more information about ELFA AB: www.elfa.se

Industri Kapital

Industri Kapital is a European private equity firm with Nordic roots, managing close to 4 billion euros in fund commitments. Since 1989, Industri Kapital has acquired 58 European companies. The current portfolio encompasses 24 companies with a total turnover close to 8.6 billion euros.

Industri Kapital invests mainly in mid-sized companies with strong cash flow and profit improvement potential, operating in mature industries with fundamental underlying growth.

Previous IK investments in Sweden include: Ellos, Nobia, Alfa Laval, Intrum Justitia, Perstorp and VSM Group.

Industri Kapital's most recent Scandinavian investments include: Myresjöhus, Kwintet, Kid Interiör, Europris and Tradeka.

For more information about Industri Kapital: www.industrikapital.com