

Press Release

29 January 2007

Industri Kapital acquires majority stake in Moventas

Industri Kapital has signed an agreement with CapMan funds to acquire a majority stake in Moventas, the leading independent manufacturer of industrial and wind turbine gears as well as provider of gear maintenance and service.

Head-quartered in Jyväskylä, Finland, Moventas, designs, manufactures and markets mechanical power transmission solutions and services for the process and energy industries. The company has around 1,000 employees globally and generated net sales in 2006 of EUR 207 million.

Moventas operates in the rapidly growing wind energy market, which benefits from several underlying trends including overall energy market growth, increasing competitiveness compared to other energy sources as well as the broadening of customer demand in both existing markets as well as new regions. The company also has a strong position in the process industry: it is the leading supplier of mechanical drives in the pulp and paper industry and one of the leading players within the growing mining and minerals industry.

Moventas was acquired by CapMan in 2005, when they acquired Metso Drives from Metso Corporation. CapMan and Varma will remain as minority stakeholders in Moventas. On completion of the transaction, Industri Kapital will own approximately 58%, Varma 4%, the management approximately 22% and CapMan funds 16% of Moventas.

Michael Rosenlew, Partner Industri Kapital commented: "We are delighted to be acquiring Moventas, which benefits from a leading position as an independent major wind gear manufacturer with a strong position in selected industrial market segments. We are looking forward to working with the management team and CapMan, to bring the company to its next stage of development. We will continue organic expansion by leveraging Moventas' unique position, focusing on supporting the company in enhancing operational excellence and in particular on improving customer services. We will also pursue acquisition led growth."

Orvo Siimestö, Senior Advisor at CapMan commented: "The strong technical knowledge and good customer relationships built during Metso's ownership have created solid ground for Moventas' rapid growth and improved profitability. During CapMan's ownership the increase in sales has been very fast especially in wind turbine gears. The company has made significant investments, and the current capital expenditure program aims at doubling the volumes. The announced transaction is a natural step in the development of Moventas."

Ilkka Hakala, President & CEO Moventas commented: "We clearly see this change as further enhancing our capabilities in capturing the future market potential in both business areas, Wind Gears and Industrial Gears. Along with our expertise and ongoing significant investments, the new owner base will provide us with additional strength for pursuing growth in the future."

The transaction is subject to customary merger control approvals.

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About the companies:

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 62 European companies. The current portfolio encompasses 24 companies with a total turnover close to 8,5 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. Current investments in Finland include Tradeka, Dynea, Eltel Networks and CPS Color. Previous Industri Kapital's investments in Finland include Enermet Group and Consolis, Paroc, Noviant and KCI Konecranes. For further information: www.industrikapital.com

Moventas

Moventas, formerly Metso Drives, is one of the leading experts in mechanical power transmission. The company designs, manufactures and markets mechanical power transmission solutions and services for the process and energy industries. In 2006 the company generated net sales of EUR 207 million, growth being 25% compared to the previous year. The company has close to 1000 employees in Finland, Germany, Sweden, Canada, the USA and Singapore. For more information: www.moventas.com

CapMan:

CapMan is one of the leading private equity investors in the Nordic countries and manages Nordic buyout, mezzanine, technology, life science and real estate funds with approximately EUR 2.6 billion in total capital. Each investment area has a dedicated team and altogether CapMan employs around 100 people in Helsinki, Stockholm, Copenhagen and Oslo. Established in 1989, CapMan has strong experience as a fund manager and as a partner for investors and entrepreneurs. To date CapMan has made over 150 Nordic investments and over 90 exits. The current portfolio encompasses over 60 companies with an aggregate turnover of approx. EUR 2.5 billion and aggregate personnel of 17,000 people. The latest investments are made in Finnish Maintpartner Oy, Danish ScanJour A/S, Swedish QuickCool AB and Norwegian InfoCare ASA. The B shares of CapMan Plc are listed on the Main List of the Helsinki Stock Exchange since 2001. For more information: www.capman.com