

Press release Stockholm, 15 September 2017

Gränges to invest USD 110 million in US capacity expansion

Gränges will invest USD 110 million to expand its aluminium rolling operation in Huntingdon, Tennessee meeting growing demand for light gauge foil, automotive heat exchanger materials, and heating, ventilation and air conditioning (HVAC) applications. The expansion will create 85 permanent full-time jobs, solidifying Gränges commitment to its North American customers and the markets they serve.

“The expansion in Huntingdon marks the next step in our strategic growth plan for the North American market. Gränges has built a strong reputation in the aluminium rolling industry, and this expansion allows us to further support our customers’ growth”, says Gränges CEO Johan Menckel.

The expansion includes investment in buildings, casters, cold rolling mills, annealing furnaces and slitters. This further positions Huntingdon as one of the most modern and efficient rolling mills in North America. When completed, the capacity in Huntingdon will increase from about 160 ktonnes to nearly 200 ktonnes per year.

“The investment represents a long-term commitment to our customers, employees and shareholders as we grow in support of our strategic markets”, says Gränges Americas President, Patrick Lawlor.

The expansion was supported by Tennessee (TN) Governor Bill Haslam, the TN Department of Economic and Community Development, Tennessee Valley Authority, and local Huntingdon Officials.

“In TN, we take pride in the fact that our hardworking residents still make things,” TN Gov. Bill Haslam said. “The Gränges facility is a vital part of the Carroll County community and I’d like to thank Gränges for committing to create new jobs in Huntingdon and bringing us closer to making TN the No. 1 location in the Southeast for high quality jobs.”

The project is estimated to take about two years to complete and contribute positively to Gränges operating profit in 2019. This will be the second major investment in Huntingdon since 2000 strengthening Gränges’ focus on foil and automotive heat exchanger products. Gränges will finance the expansion investment in Huntingdon with existing cash, internally generated cash flows and external loans.

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About Gränges

Gränges is a leading global supplier of rolled aluminium products for heat exchanger applications and other niche markets. In materials for brazed heat exchangers Gränges is the global leader with a market share of approximately 20%. The company develops, produces and markets advanced materials that enhance efficiency in the customer manufacturing process and the performance of the final products; brazed heat exchangers. The company's geographical markets are Europe, Asia and the Americas. Its production facilities are located in Sweden, China and the United States, and have a combined annual capacity of 420,000 metric tonnes. Gränges has some 1,600 employees and net sales of more than SEK 10 billion. The share is listed on Nasdaq Stockholm. More information on Gränges is available at granges.com.

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