

Sauer-Danfoss sells UK gear pump unit to Dynamatic of India

19 June 2007 - Dynamatic Technologies Ltd has informed BSE that the Company has acquired The Hydraulic Business Division (Swindon Unit) of Sauer Danfoss Ltd, UK.

The buy out has been effected through the Company's wholly owned subsidiary, Dynamatic Ltd, UK at the close of business hours on June 15, 2007.

The said acquisition provides the Company with a global sales footprint, as well as a world-class manufacturing facility at the customer's doorstep. It also provides the Company with an excellent engineering laboratory with a large amount of intellectual property.

The business unit generate business worth \$ 25 million annually, and is profitable. The acquisition was made for a total consideration of \$ 10 million. The following are the potential advantages seen by the Company:

- Better technologies to support overall business
- Quick and easy access to European and US markets
- New OEM customers
- Potential to develop after market business
- Overall Inorganic business growth with a better synergic effect

About MCF Corporate Finance (MCF)

MCF is an independent international corporate finance advisory firm specializing in cross border and domestic M&A transactions in the German and Nordic markets. MCF's head office is in Hamburg and it has a branch office in Helsinki and a subsidiary in London. For further information please refer to www.mcfcorpfin.com.

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