

CRAMO SELLS ITS MODULAR SPACE PRODUCTION AND CUSTOMISED MODULAR SPACE RENTAL BUSINESSES IN FINLAND TO MB FUNDS

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Cramo sells its modular space production and customised modular space rental businesses in Finland to MB Funds

Cramo Plc's wholly owned subsidiaries Cramo Production Oy and Cramo Finland Oy have signed an agreement with Profipri Oy and Randum Oy, managed by MB Funds, whereby those companies will purchase Cramo Production Oy's modular space production business and Cramo Finland Oy's customised modular space rental business in Finland from Cramo. The sale of the businesses is scheduled to take place by the end of March 2012.

Mr Ossi Alastalo, SVP of Fleet Management / Modular Space at Cramo, will leave his current position and start as Managing Director of the purchasing companies.

Cramo Production is the leading producer of modular space systems and industrial halls in Finland. The company has approximately 160 employees and its sales was about EUR 26 million in 2011. The divestment supports Cramo's strategy, according to which owning manufacturing capacity is considered as a non-core activity to the Group. Cramo will continue purchasing standardised modular space systems from the company continuing the production operations.

The customised modular space rental business of Cramo Finland comprises modular units used mainly in the public and industrial sectors which have been customised to the specific needs of customers. The sales of the business to be divested was about EUR 5 million in 2011. The divestment is a continuation to Cramo's earlier sale of a portfolio of customised modular space units in Finland in Q1/2010. After the current divestment, Cramo no longer operates in customised modular space rental in Finland.

"The divestment of these two businesses releases management resources and capital for our core modular space operations. According to our strategy, we continue the further development of the standardised modular space rental business and its geographical expansion. In the past few years, Cramo has invested a lot in developing new standardised modular space solutions and in expanding this business within the Nordic countries and in Central and Eastern Europe. I am pleased that we reached an agreement with MB Funds, which possesses excellent resources to further develop the modular space production and customised modular space rental businesses" says Mr Vesa Koivula, President and CEO of Cramo.

"This acquisition provides MB Funds an interesting opportunity to enter the customised modular space rental business. With its well-established market position and highly motivated staff, the production facilities enable us to concentrate on the further development of customised modular space solutions. We have plans to develop this business forward both in Finland and internationally. We also look forward to developing a long-term relationship with Cramo within modular space manufacturing", says Mr Juha Tukiainen, Partner of MB Funds.

Cramo will record from the transaction a non-recurring capital gain of approximately EUR 3 million at the EBITA level in its Q1/2012 result. The final capital gain will depend on the purchase price adjustment as at closing. The parties have agreed not to publish the purchase price.

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