

Press release Stockholm, 3 May 2018

Gränges to restart production in Newport, Arkansas – investment of USD 26 million

Gränges has decided to restart production at its Newport, Arkansas facility focused on light gauge aluminium foil for various consumer applications. In total, the investment amounts to USD 26 million.

"This is a good opportunity for us to upgrade and use the assets we already own, and address an attractive market niche which has been mainly served through imports. We expect the investment to make a positive contribution to earnings in 2019 and beyond," says Gränges CEO Johan Menckel.

The investment relates to upgrading existing rolling mills and equipment. The facility in Newport produced aluminium foil for consumer applications until 2015 and has subsequently been idle with very limited business in surface treatment. The facility was part of Noranda's rolled aluminium business, which Gränges acquired in 2016.

"This investment builds on our foil strategy as we invest to once again serve our light gauge foil customers and their growth plans. It is great news not only for our future customers, but also for the local community in the Newport area", says Gränges Americas President, Patrick Lawlor.

The production in Newport will start in the first quarter of 2019, and then gradually expand as the upgrade is completed. The short term capacity in Newport will be 20 ktonnes annually which is expected to increase over the coming years.

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The information in this press release is such that Gränges must disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on Thursday 3 May 2018 at 15.00 CEST.

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 per cent. 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 11 billion. The share is listed on Nasdaq Stockholm. More information on Gränges is available at granges.com.