



Press Release

HANNOVER Finanz Group successfully sold Willy Vogel AG to SKF Group

The Swedish SKF Group acquires the lubrication systems company. Together with SKF Group, Willy Vogel AG now is one of the world's leaders in the business.

Göteborg/Berlin/Hannover, 08.07.2004. The Swedish stock-quoted SKF Group successfully acquired the German-based Willy Vogel AG, a world leader in lubrication systems, for € 71 million in cash from the German private equity company HANNOVER Finanz Group. The German investment bank IEG - Independent Equity Group acted as exclusive financial advisor to Willy Vogel AG and HANNOVER Finanz Group.

Willy Vogel AG has annual sales of more than € 100 million and 940 employees worldwide. Willy Vogel AG has two manufacturing units in Germany, one in France, one in the USA and one in Japan. It also has sales operations in these countries as well in Belgium, Hungary, Italy, the Netherlands and Spain.

SKF Group will, through this acquisition, become the world's second largest supplier of lubrication systems. Willy Vogel AG's unique position in the lubrication systems market with strong engineering capabilities and a high knowledge in customizing lubrication systems is an excellent complement to SKF Group that already provides the market with special greases, lubricators and lubrication analysis services. Lubrication systems will be part of the SKF Group's Industrial Division as a separate business unit.

Manfred Neubert, CEO of Willy Vogel AG comments: "Being part of the SKF Group means excellent opportunities for our customers, employees and our company. SKF Group's global presence will enable us to reach new customers and target new segments."

Willy Vogel AG is present in most industrial segments: machine tools, printing, automotive manufacturing, steel, wind mills and so on. SKF has a vast knowledge of and is deeply involved in these applications.



“A deeper knowledge of lubrication is crucial to meeting the needs for increased service life, performance and reliability of our products and solutions”, says Tom Johnstone, CEO of SKF Group. “We have today within SKF Group a very advanced knowledge of lubricants and lubrication systems, which are vital design elements of bearings, bearing solutions and their applications. Our total sales in this area amount to some SEK 200 million.”

Further he comments, “In our acquisition analysis we saw an opportunity to significantly strengthen that knowledge and to acquire a leading market position within the lubrication system area. Through this acquisition the SKF Group has established a new product platform to be added to bearings, seals, linear, motion products and reliability systems.”

“This fits well with our products, our customers and our technologies, and will enable us to develop and deliver more advanced solutions and to increase customer value”, says Tom Johnstone.

The Willy Vogel AG is a company with a long tradition of excellence dating back to the 1930s. In 1988, the private equity firm HANNOVER Finanz Group, which funds mid-sized companies, invested in Willy Vogel AG and has since then been the main shareholder. For HANNOVER Finanz Group, this is one of the longest standing and most significant investments and has turned out to be a rewarding partnership on all sides.

About SKF Group

The SKF Group is the leading global supplier of products, customer solutions, and services in the business of rolling bearings and seals. The Group's main competencies include technical support, maintenance services, condition monitoring and training. SKF Group also holds an increasingly important position in the market for linear motion products, as well as high precision bearings, spindles and spindle services for the machine tool industry, and is an established producer of bearing steel. The SKF business is organized into five divisions; Industrial, Automotive, Electrical, Service, and Aero and Steel. Each division serves a global market, focusing on its specific customer segments. SKF Group has some 80 manufacturing sites distributed all over the world. With its own sales companies in 70 countries, supported by some 15,000 distributors and dealers worldwide, its e-business marketplace and global distribution system, SKF Group is always close to its customers for the supply of both products and services. SKF Group was founded in 1907 and from the very beginning focused intensively on quality, technical development and marketing. The results of the Group's efforts in the area of research and development have led to a growing number of innovations that has created new standards and new products in the bearing world. SKF Group generated sales of SEK 41.4 billion with 38,600 employees worldwide. SKF's share capital is traded on the Stockholm, London and US OTC (as ADR) stock exchanges.



For further information, please contact:

Lars G. Malmer (Press)
SKF Group Communication
Aktiebolaget SKF
SE-415 50 Göteborg
Phone +46.(0)31.337 1541
Email Lars.G.Malmer@skf.com
<http://www.skf.com>

Marita Björk (IR)
SKF Investor Relations
Aktiebolaget SKF
SE-415 50 Göteborg
Phone +46.(0)31.3371994
Email Marita.Bjork@skf.com
<http://www.skf.com>

About Willy Vogel AG

Willy Vogel AG is the world leader in the field of centralized lubrication technology for machinery and systems as well as commercial and rail vehicles. With its Spandau Pumps division, Willy Vogel AG also manufactures specialized and innovative liquid pumps for a wide variety of industrial and process-engineering applications. Its major customers are pushing the globalization of markets. In addition to the parent plant in Berlin Willy Vogel AG has further production facilities in Hockenheim as well as in France, Japan and the USA. Willy Vogel AG currently has nine subsidiaries worldwide and more than 30 marketing partners in every industrialized region of the world. Willy Vogel AG was founded in 1929.

For further information, please contact:

Manfred Neubert
Chief Executive Officer
Willy Vogel AG
Motzener Str. 35/37
D-12277 Berlin
Phone +49.(0)30.72002 113
Fax +49.(0)30.72002 296
Email neubert@vogel-berlin.de
<http://www.vogelag.com>

About HANNOVER Finanz Group

HANNOVER Finanz Group was founded in 1979 and is one of the oldest private equity houses in Germany. It finances small to medium sized German enterprises across all industries and markets. Management owns a substantial stake in HANNOVER Finanz Group, demonstrates its independence on the German private equity horizon. Over the last 25 years, HANNOVER Finanz Group has accumulated significant experience in assessing as well as entrepreneurially buying and building successful companies in Germany. The multi-disciplined team demonstrates operational experience in a variety of different industries and is professionally supported by a network of strategic partners, industry experts and management/financial advisors. HANNOVER Finanz Group is funded by large, institutional German banking and insurance companies. Due to the "evergreen" character of its funds, HANNOVER Finanz Group functions as a long-term and committed partner to its portfolio companies. HANNOVER Finanz Group has successfully invested in and built companies such as Fielmann, Rossmann, Aixtron and so on. HANNOVER Finanz Group's current invested capital accounts for € 500 million and is allocated to some 62 portfolio companies in different industries in Germany. Since its foundation in 1979, it has invested € 800 million and has successfully completed over 150 transactions.



For further information, please contact:

Jantje Salander
Press & Communications
HANNOVER Finanz Gruppe
Günther-Wagner-Allee 13
D-30177 Hannover
Phone +49.(0)511.28007 89
Fax +49.(0)511.28007 51
Email salander@hannoverfinanz.de
<http://www.hannoverfinanz.de>

About IEG - Independent Equity Group

IEG is an exclusive European investment bank with offices in Berlin, London and Milan. Its services comprise integrated corporate finance advisory and private equity for small- to medium size European enterprises (SMEs). Its corporate finance activities include merger & acquisition, recapitalisations, private placement, fundraising and structured finance advisory. The main investment focus of its private equity practice lies upon distressed assets in Germany as well as upon alternative assets. IEG was founded in 2000 by experienced investment bankers (e.g. Lazard, Apax), strong private equity professionals and senior executives in the IT industry (e.g. Oracle, Computer Associates). IEG is organised as a partnership and is fully owned by its professionals.

For further information, please contact:

Stefan C. Heilmann
Managing Director
IEG - Independent Equity GmbH
Gormannstr. 22
D-10119 Berlin
Phone +49.(0)30.303016 30
Fax +49.(0)30.303016 36
Email sh@independent-equity.com
<http://www.independent-equity.com>