

Glunz & Jensen A/S

Haslevvej 13
DK-4100 Ringsted
Denmark
Tel.: +45 5768 8181
Fax: +45 5768 8340

Press release, 19th January 2011

GLUNZ & JENSEN ACQUIRES DEGRAF S.p.A., ITALY.**Expanding business gives a brighter future**

As part of its long-term growth strategy, Glunz & Jensen today signed an agreement for the acquisition of 83.5% of the Italian graphic company Degraf S.p.A. With the acquisition Glunz & Jensen shall become among the world's leading manufacturer and distributor of exposure, processing and drying/finishing equipment for the global Flexo printing industry. Today's acquisition has strengthened Glunz & Jensen's position as the world leader in developing, manufacturing and distributing equipment for the offset prepress industry. At the same time Glunz & Jensen has increased the depth and breadth of the company's product portfolio, dimensions with an excellent growth potential, since Degraf has specialised in the packaging industry globally, which is expected to continue to grow in the future.

On January 19, 2011, Glunz & Jensen signed the agreement to acquire 83.5% of the Degraf shares at 5.05 million euro. The final closing of the acquisition is expected to be on March 15, 2011.

Flexo prepress – a step into the future

With the acquisition of Degraf Glunz & Jensen expands within the growing flexo printing area, which is the most common printing method for packaging: Labels, tape, plastic bags, aluminium foils, folding cartons, corrugated boxes, etc.

"We have for some time looked for opportunities to expand our business through acquisitions. With the acquisition of Degraf we have added new dimensions to our business and we expect excellent growth and development possibilities especially in relation to print on packaging. This is also our first investment in maintaining our leading position in our business area", says Keld Thorsen, CEO at Glunz & Jensen.

Glunz & Jensen's strategy is to expand the business in the graphics industry and benefit from the strong competencies in product development, supply and distribution - especially in the new growing areas. Flexo printing is a growing business, and the processes surrounding the production and sale of flexo plates are very similar to the way the company does business in the offset prepress area.

Not only new products also major synergies

"The Flexo (Degraf) business is as our current business structured around dealer and OEM networks, and the technology is also close to offset prepress. With the acquisition of Degraf we can achieve great optimisation using the same sales and distribution channels, and after a period of transition we expect to reduce our costs and increase our sales. The two companies are also expected to benefit from each others' strategic alliances in relation to both dealers and OEM networks", Keld Thorsen continues and ends, "so after a couple of tough years where we've been hit by the crisis, the future looks brighter for Glunz & Jensen."

Facts

Degraf develops, manufactures and distributes flexo plate making systems globally to flexo print to the packaging industry, both, in its own name through a worldwide distribution channel and to large users such as Tetra Pak and security printing industry, as well as OEM products to multinational consumable suppliers such as Asahi, DuPont, Flint, Kodak, Mac Dermid, Toray, etc.

Riccardo De Caria continues as director of Degraf reporting directly to Glunz & Jensen's CEO, Keld Thorsen.

Riccardo De Caria says: "I'm glad that the acquisition was made by G&J. Both companies, Degraf and Glunz & Jensen, are specialised in developing and manufacturing machinery for the printing industry."

Riccardo De Caria adds: "There are a lot of complementarities, this is an industrial acquisition which will assure mutual and profitable business and strengthen the position into the market and this will assure the future development of both companies and the employees."

In 2010, Degraf group had a turnover of 8.4 million euros, and is a profitable and well run company located in Lacchiarella near Milan. Moreover, Degraf has a subsidiary in Nancy, France, where a limited number of products are manufactured and distributed. Degraf's prepress products cover the entire process flow for Flexo plates and sleeves.

The acquisition of Degraf is expected to be completed by 15th March 2011, and will thereby increase sales for Glunz & Jensen in the current financial year with approx. DKK 13 million and the EBITA with approx. DKK 2 million equal to 2 ½ months turnover for Degraf. Degraf Group has 18 employees in Italy and 6 in France. For the full year the EBITDA for Degraf is expected to be around 9.0 million DKK.

Five members of Degraf's management team will remain shareholders in Degraf Group; their total number of shares will amount to 16.5% of the capital.

About Glunz & Jensen

Glunz & Jensen develops, manufactures and markets integrated and innovative solutions for the prepress industry.

Glunz & Jensen's products and solutions cover almost all equipment used in the prepress process in modern printing houses. The largest product area is CtP plate processors, but Glunz & Jensen also focuses on product areas including punch & bend equipment, conveyors and stackers as well as software for monitoring and managing the complete prepress processes. The latest addition is inkjet technologies in form of iCtP platesetters. Glunz & Jensen has achieved a leading position and a high market share within its core areas, and Glunz & Jensen's products are known for setting the technological standard on the global market.

Glunz & Jensen markets its products through an extensive network of distributors and dealers, and a large part of sales also takes place through OEM customers which include Agfa, Fujifilm, Heidelberg and Kodak. Glunz & Jensen enjoys close partnerships with several of its OEM customers – partnerships which also include developing new and innovative solutions for the prepress industry.