

2007-01-19

Elfa Group acquires Finnish market leader

Elfa Group has acquired Kirena Oy, the leading manufacturer in Finland of sliding doors and wardrobe interiors. The acquisition reinforces Elfa Group's position as the largest player in the Nordic market for customized storage solutions.

As a part of the company's strategic expansion in the Nordic market, Elfa Group acquired Kirena Oy on January 17, 2007. According to the agreement, Elfa will take over all operations and personnel. There are no changes to the Kirena brand or layoffs planned. Elfa is one of the world's leading companies in the interior system and sliding door market with the majority of its manufacturing located in Sweden, Norway, and Poland.

– We're in a strong growth phase with an increased turnover of approximately 15 percent on an annual basis, and are always analyzing the market for interesting acquisitions. This deal makes us the market leader in Finland, and provides great opportunities to strengthen our position in Russia and the Baltics. Our Swedish turnover has quadrupled over the past ten years and we are continuing to grow internationally. Interior design is a "hot" area today and we plan to continue riding that trend, says Christer Johnsen, President of Elfa Group.

Kirena has annual sales of approximately 77 MSEK and is the market leader in Finland in sliding doors and wardrobe interiors. Elfa has been established in Finland since 1976 through its subsidiary Oy Elfa Finland Ab. With the acquisition, Elfa will be able to expand its product portfolio and increase its export. Kirena's manufacturing in Lahti will complement Elfa's production in Sweden, Norway and Poland.

– This is the right time for us to sell and we are very pleased with our agreement with Elfa. It was important for us to find a buyer we can trust, and who will continue to develop our brand and products in the best ways, says Timo Tohkanen, co-founder and CEO of Kirena Oy.

The parties have agreed not to disclose the purchase price.



About Elfa Group AB

Elfa Group AB is the parent company of the Elfa group which consists of ten companies in Sweden, Norway, Finland, Denmark, Holland, France, Poland and Germany. The group has three brands: elfa[®], Lumi[®] and NoGa[®]. The company was founded in 1947 and has developed into a world leader in production and sales of customized storage solutions. Elfa is represented in approximately 30 countries selling its products through leading retail and business to business channels. The group has 550 employees and a turnover of approximately 700 MSEK with a yearly growth of about 15 percent.

About Kirena Oy

Founded in 1990, Kirena Oy is the market leader in Finland in the sliding door and wardrobe interior segment. The production facility is highly automated with a majority of custom made products. Its headquarters and 4,000 sq m large production factory are located in Lahti, Finland. The company has 57 employees.

For further information, please contact:

Christer Johnsen

President Elfa Group

christer.johnsen@elfa.no

Mobile: +47 90 88 94 55

www.elfa.com