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Elfa Group AB parent company The Container Store® engages new financial partnership with Leonard Green & Partners, L.P.

Company achieves all objectives in partnership -- attractive value for shareholders, management team retention and equity participation, preservation of unique culture -- positioning brand for future growth.

Västervik – July 11, 2007 – Elfa Group AB, the world’s low cost producer of shelving and drawer systems, today announced that its parent company United States-based The Container Store will enter into a financial partnership with private investment firm Leonard Green & Partners, L.P. Stefan Ferm, Chairman of Elfa and The Container Store’s Executive Vice President of International Operations called the partnership “an exciting move for both The Container Store and Elfa brands – ensuring that the companies are every bit as exciting and true to our values, culture, service philosophy and core concepts as we are right now.” The private transaction is set to be completed next month. The announcement was made to employees last week.

“The success of The Container Store and Elfa is built on a unique culture, concept and brand – and we were looking for a unique partnership that was ground-breaking: one that would allow management for both companies to run the business exactly as we do today, give our shareholders an attractive value, and facilitate significant employee equity participation – and we achieved just that with Leonard Green & Partners,” Kip Tindell, CEO and Co-Chairman of The Container Store said.

Tindell added, “Leonard Green & Partners are among the most experienced retail investors in the industry and we’re thrilled to have found the perfect partner who believes in and is like-minded in our approach to business.”

The Container Store made the announcement in February to pursue strategic alternatives due to strong market conditions for retail mergers and acquisitions, feeling the timing was right to secure the long-term future for the company. The Container Store hired JPMorgan to serve as its financial advisor and Cravath, Swaine and Moore LLP as its legal advisor.

The decision to partner with Leonard Green & Partners comes as Elfa and The Container Store celebrate a successful fiscal 2006 sales and earnings. Elfa’s revenues for 2007 are projected at 918 SEK.

“The Container Store is among the finest companies in America with a unique and powerful culture and we’re proud to work with them, in what we know will be a long runway for growth, opportunity and success,” said Jon Sokoloff, Managing Partner, Leonard Green & Partners, L.P. “We don’t look at this like we’re buying and they are selling. We see it as The Container Store bringing in a financial partner that will assist them in continuing to run their business in the principled and trailblazing way they have over the last 29 years.”



Sokoloff added, “The integrity, passion and innovation of The Container Store and Elfa management teams are unmatched in our experience.”

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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 four brands: elfa, Kirena, 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 600 employees and a turnover of approximately 900 MSEK with a yearly growth of about 15 percent.

About The Container Store:

The Container Store currently has 39 locations across the country. In 2007, the retailer will open its second store in Denver (Cherry Creek), on Aug. 11 and its first in the greater Philadelphia market area (Cherry Hill, NJ) on Nov. 3. The Container Store offers free closet design services every day in its stores and online using elfa, the premiere shelving and drawer system. Elfa International AB, based in Västervik, Sweden, is a wholly-owned subsidiary of The Container Store. Visit www.containerstore.com for more information about store locations, the product collection and services offered. The Container Store has been named to the top of FORTUNE magazine’s annual list of the “100 Best Companies to Work For” for the past eight years. Sales for fiscal year 2007 are projected at approximately \$600 million. The Container Store is privately held.

About Leonard Green & Partners, L.P.:

Located in Los Angeles, California, Leonard Green & Partners is a private investment firm established in 1989 to make primarily control investments in a diversified portfolio of middle market companies. Leonard Green & Partners manages approximately \$9 billion in equity commitments and has invested in 42 companies with an aggregate value of over \$31 billion. The firm’s investments are focused primarily on North American companies in a range of sectors including retail, consumer products, distribution, media, business services, and healthcare. Significant investments include The Brickman Group, David’s Bridal, FTD Group, Jetco Cash and Carry, Neiman Marcus Group, Petco Animal Supplies, The Sports Authority, The Tire Rack, and Tourneau. For more information, please visit www.leonardgreen.com.