

## **PRESS RELEASE**

### **Teknisk Gummi Horsens on a new road to growth with a new owner**

Teknisk Gummi Horsens A/S has a new owner. Keld Sund Nielsen, CEO since October 2009, has taken over all shares in the company from Shareholder Invest Growth A/S, which had acquired the more than 40-year-old family business in 2007.

In 2010, after a few difficult years, the country's leading producer of quality rubber rollers for industrial use introduced LEAN manufacturing and greatly improved production efficiency. The company has now centralised production at one location, the capacity of which after investment in new machinery and buildings, has increased by 25%.

“We have streamlined and improved all of the processes. Our efforts have increased quality and improved output control, delivery time, delivery reliability and, most of all, efficiency, more than we had dared hope. Our employees were at first somewhat sceptical but they have embraced the changes very positively, coming with constructive suggestions and contributing to creating a new atmosphere in the company,” says Nielsen.

The turnaround process has been costly in the short term, but Teknisk Gummi Horsens is now looking forward to becoming a profitable enterprise. 2011 has begun well, with an increase of 20% in January's turnover with respect to last year.

#### **A lot of potential in several markets**

Teknisk Gummi Horsens has a workforce of 35, including three in the Swedish subsidiary in Halmstad, and has a market share of 70-80% in the home market. The goal is to hold onto Danish customers by offering continued high levels of service while increasing sales in various export markets, particularly in Scandinavia, Germany, Poland and the Baltic States, and also in other European countries and in other areas around the world. The company's products are sold primarily to the graphics industry and to industrial enterprises operating in packaging, sheet metal, plastic, timber, machinery and food products.

“Our export share is now at approximately 40% and we intend to increase it to 50% within a few years. Exports will therefore account for most of the total annual growth of 5-10%. But this will never be allowed to affect our Danish customers and, even if we now appear to be a more industrialised company, the production of rubber demands a high level of workmanship, which we will continue to live up to,” says Nielsen.

#### **New merchandise expands the product range**

As one of few producers in Europe, Teknisk Gummi Horsens has its own rubber mixer and develops new concepts in its own laboratory. The combination of innovative solutions, high quality, flexibility, fast delivery and experienced employees will drive growth in the years to come.

In addition to its own products, merchandise from two other producers has been included in the product offer as of 1 January 2011: RUMA in Holland, which produces rubber rollers of up to a diameter of 1.8 m and a length of 10 m, primarily for the steel and paper industries, and Internnorm in Germany, which produces PUR rollers and other PUR products. Both suppliers complement the existing product range. Teknisk Gummi Horsens is the agent/importer for both suppliers throughout Scandinavia.

Teknisk Gummi Horsens will gradually continue to develop its product range, as the right partners are found.

### **About Keld Sund Nielsen**

The 47-year old CEO is educated in commerce in Vejle. He went to Export School in Herning and then supplemented his theoretical knowledge with a diploma in business studies and a graduate diploma at Aarhus School of Business and Social Sciences.. When only 22 , he became production manager at a furniture factory in Horsens and has since then held management positions with industrial enterprises in several sectors. Before taking up his position with Teknisk Gummi Horsens A/S in 2009, he was the CEO of Star Pipe A/S in Fredericia, which was acquired by a larger producer of district-heating pipes, Logstor A/S. He lives in his home town of Løsning with his wife and three children (9, 12 and 15 years' old). He played soccer for many years and now keeps in shape with running, fitness exercises and golf. He accompanies his children to soccer and other recreational activities and maintains his house and his summerhouse in Juelsminde.

### **Further information**

Keld Sund Nielsen, CEO, Teknisk Gummi Horsens A/S, mobile: +45 25273920; and  
Niels-Ove Mølhave, Board Chairman, mobile: +45 20354540.

### **Board**

When the company changed ownership, changes were also made to the Board of Directors. The future professional Board of Directors will consist of Niels-Ove Mølhave, Chairman, Director of Dansk O.T.C A/S; Erling Tofting, Technical Director of Broen Armatur A/S; Jesper Andersen, CEO of Styropack A/S; and Keld Sund Nielsen, owner of Teknisk Gummi Horsens A/S. The Board Members are competent business leaders and will contribute to the company's controlled growth and increased profits.