

PRESS RELEASE

Tyringe 12 June, 2009

NovaCast sets up USA office to prepare for upswing in economy

NovaCast Technologies' AB subsidiary NovaCast Foundry Solutions AB in Ronneby, Sweden is setting up a subsidiary in the USA before the anticipated upswing in the economy. New sales and support will be facilitated through this company. Henrik Barth, currently NovaCast Foundry Solutions' marketing manager for USA, will head the Chicago-based company.

The main reason for establishing the company is to make more visible and to strengthen NovaCast's presence, as well as to increase access to service and support. The American market is preparing for an upswing in the economy and the structural changes that the financial crisis has forced upon the foundry industry have increased the demands for efficiency in product and production development.

The steadily increasing interest for fuel-efficient engines within the transportation and automotive industries has intensified as a result of President Obama's environmental policies. USA is a very important market for Novacast Foundry Solutions' Graphyte technology for the production of engine parts in compacted graphite iron.

NovaCast Foundry Solutions develops and markets software that covers the total needs in a foundry, from planning to process control and environmental control. Its customers are among global iron, steel and metal foundries, with 640 licences installed in 43 countries at the end of 2008.

NovaCast has been a well-known trademark among North American foundries for a long time. Over 100 licences have been installed over the years. USA is an important market within the foundry industry and together with China it is one of the countries with the highest casting production and foundry development. Together with the Graphyte product line for compacted graphite iron (CGI), NovaCast Foundry Solutions also has the NovaFlow&Solid software package for simulation and flow optimization, the ATAS process control system for gray and ductile iron, as well Metal Master och Foundry Technology. These programs constitute the base for business activities and lead to high efficiency gains for foundries.

NovaCast Foundry Solutions' complete offer to customers also includes consultancy and continuous access to process technologies through Technology Partner Agreements (TPA), which generate repeated annual income. TPAs for the important software packages have increased during recent years and 213 customers had signed agreements at the turn of 2008/9.

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NovaCast Technologies, listed on the OMX Nordic Exchange (NCAS B), develops and markets enhanced castings for the production of car body parts, as well as software for methoding, simulating and process control for more efficient production processes to the global automotive industry and its subcontractors. With the Camito technology enhanced castings are manufactured in one solid piece for the production of dies for forming stamping automotive body components in a considerably shorter time than traditional dies. Through die manufacturer SwePart the group has expertise within the whole value chain for the production and sales of stamping dies.

More information is available on www.novacast.se.