

Tyringe 23 September 2009

NovaCast Technologies´ partly owned (9%) foundry in Korea opened on 12 September

The special KOTEK Ind. Co. Ltd. foundry in Korea, which is partly owned by NovaCast Technologies, was opened on Saturday, 12 September with the participation of approximately 120 invited guests from customers, suppliers, public officials and financiers. The foundry, which is equipped with NovaCast´s technology for process control and simulation, is specially designed for production of heavy castings to the wind power industry and also, after certification, for production of Camito die shoe castings. The total investment so far is approximately 80 MSEK and annual capacity is approximately 20.000 tonnes on two shifts.

The foundry is located in Dasan, approximately 2 hours south-east of Seoul. The total building area is 4.300 m² and capacity at 80% utilization is approximately 12.000 tonnes per shift.

Production will mainly consist of heavy castings up to 22 tonnes in gray and ductile iron. Initial production will be castings to the wind power industry and heavy industrial castings. After a training and certification period the foundry also plans on producing Camito castings to the automotive industry. In 2008 KOTEK signed an agreement with Camito AB for a limited period of exclusivity for the Camito technology in Korea. The certification process is expected to begin during the first half of 2010.

The new foundry, which has cost approximately 80 MSEK, has been financed in part by major owner KOTEK Ind. Co., Ltd. as well as external shareholders and lenders. NovaCast Technologies currently owns 9%. Local funds are among the shareholders and the largest lender is Korea Credit Guarantee Fund, a state-owned fund for investments in small and medium sized companies. The decisive factor for the state loan to the foundry was the foundry´s dedication to environmentally friendly production.

More pictures can be viewed on www.novacast.se.

For further information contact Hans Svensson, CEO NovaCast Technologies AB, +46 705 652 250.

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