

Year-end report

Callenberg Group is doing well. The Group recorded an operating margin¹ of just over 8% and growth of slightly less than 30% for 2006. All divisions contributed to the strong earnings trend and the order-books are filled at present.

"During the year we could see the result of the work carried out in order to strengthen our competitiveness and market position within both marine and offshore. Callenberg has a very effective offering to shipyards and ship owners all over the world", explains CEO Lars Marcusson.

- Callenberg Group recorded sales of MSEK 930 in 2006 with an operating profit of MSEK 75 (8.1%)
- The Group's sales increased by just over 30% compared with the previous year, including the full-year effects of completed acquisitions.
- In the USA, Callenberg recorded organic growth of 20%, substantially attributable to the favourable developments within the cruise industry, where Callenberg works with the leading shipping companies within a wide range of technical maintenance and upgrading. Major deliveries to the American Navy and the offshore industry actively contributed to the positive trend.
- During the year, Callenberg has strengthened its presence in Singapore and Shanghai, where it currently can offer the entire Group offering of technical know-how and services.
- Included among the many significant orders that Callenberg received during the year were :
 - Turn-key deliveries for ships being built in China and the Ukraine
 - Electrical switchboards for 6 container ships being built in Denmark for Maersk Line
 - Shore connection systems for high-voltage including synchronization for Alaska Tankers
 - Ventilation systems for 4 drilling rigs being built in Singapore

Callenberg Group in summary:

Callenberg, with its head office in Uddevalla, has its roots in the Swedish shipbuilding industry. The Company was founded in 1951 by the two entrepreneurs Olle Andersson and Hugo Callenberg, and was initially focused on electrical and automation projects for the Uddevalla shipyard and other Swedish' shipyards.

At the start of the 1980's, the operations were internationalized through an establishment in Miami, USA. The aim was to take care of the technical maintenance needs locally that were present within the growing cruise industry.

The recent years have been characterized by a rapid expansion, chiefly through acquisitions in Norway, Denmark and Sweden, as well as through establishments in Shanghai and Singapore.

Today, the Callenberg Group is a leading international company within the marine and offshore industries with a focus on electrical, automation and climate technology. The Group has 430 employees and will have sales of over SEK 1 billion during the current year. Since the spring of 2001, Callenberg has been owned by the private equity company Segulah.

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¹ EBITA