



## **Nybron Lenders Amend Loan Agreements and Increase Commitment**

- **Market leader in engineered wooden flooring reached covenants holiday and access to €10 million in additional funding to support its business strategy**
- **Restructuring Program at major site in Sweden (Kährs) initiated**

Jona, Switzerland/Nybro, Sweden, 5 September 2008

Nybron Flooring International (NFI), Europe's market leader in engineered wooden flooring, has negotiated a more flexible loan agreement to support its expansion plans and key strategic initiatives including a major restructuring at its main production site at Kährs in Nybro. The company reached agreement with its lenders for financial covenant holiday, interest payment holiday and an increase of the total commitment by €6 million. The additional commitment and the interest holiday secure access to €10 million in additional funding as of today.

"We continue to have sufficient liquidity to support key initiatives to improve the company's operational performance and its financial results. We are pleased that our lenders and shareholders have reaffirmed their support of our strategy, as demonstrated by today's announcement," said Per Skårner, NFI's and Kährs CEO. In March 2008, NFI completed a substantial debt restructuring and the new ownership and capital structure was put in place.

"We are now very focused on maintaining our current business position in a very difficult building and flooring market and we will initiate actions to support our strategic business position, of which one of them will be a significant restructuring of our main Kährs' production site in Nybro. This will strengthen our cost position in a very competitive environment," explained Per Skårner. The initiatives at Kährs production site includes a reduction of employees of 250 out of total 900 and this will result in a competitive, optimized cost structure.

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