

# **THE BOARD OF DIRECTORS OF SIEVI CAPITAL PLC HAS SIGNED A DEMERGER PLAN**

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The board of directors of Sievi Capital plc ('Sievi Capital') has on 11 August 2011 signed a demerger plan. According to the plan, contract manufacturing and other industry operations are demerged into a newly established, publicly listed company with investment operations remaining in the demerged company Sievi Capital. The proposed new name for the contract manufacturing company is Scanfil plc. The demerger will clarify corporate structures, enhance operative transparency and hence, promote the value appreciation for shareholders in the long term.

The complete demerger plan is available in Finnish on the Sievi Capital's website at [www.sievicapital.com](http://www.sievicapital.com) / Investors. The demerger plan includes the board of directors' proposal for the extraordinary shareholder's meeting to be held on the latter part of 2011 regarding, among other, the following issues:

- the corporate names of the companies participating in the demerger, their Articles of Association, selecting procedure of boards and auditors and share capital
- consideration shares for Sievi Capital's shareholders and time of demerger
- the division of the demerging company's assets and liabilities to the recipient company

A demerger prospectus will be published on or about November 2011. The prospectus will include descriptions of the operations of the companies participating in the demerger, their group balance sheets, carve-out financial information extracted from the demerging Sievi Capital's consolidated financial statements and other details concerning the proposed demerger.

Carnegie Investment Bank AB, Finland Branch is Sievi Capital's financial advisor and lead manager of the demerger and Attorneys at law Borenus Ltd is its legal advisor.

SIEVI CAPITAL PLC

Harri Takanen  
President

Additional information:  
President Harri Takanen  
Tel +358 8 4882 111

Distribution NASDAQ OMX, Helsinki  
Major Media  
[www.sievicapital.com](http://www.sievicapital.com)

Sievi Capital Group comprises the investment and parent company Sievi Capital plc, and a subgroup called Scanfil EMS Oy, which is engaged in contract manufacturing for international telecommunications technology and professional electronics manufacturers. The objective of the investment activities is to make the management of the company's funds more effective and productive by diversifying the risks and finding new growth potential.

Scanfil EMS Oy has 35 years of experience in demanding contract manufacturing. Scanfil is a systems supplier that offers its products and services to international telecommunications systems manufacturers and professional electronics customers. Typical products are equipment systems for mobile and public switched telephone networks, automation systems, frequency converters, lift control systems, equipment and systems for electricity production and transmission, analysers, slot machines and different meteorological instruments. The company has production facilities in China, Estonia, Hungary and Finland.

The associated companies of Sievi Capital Group:

Kitron ASA (KIT) (Sievi Capital plc's share of ownership 32,96%) is a listed Norwegian subcontractor, which operates in five different customer segments: the marine and oil industry, basic industry, defence equipment industry, hospital and healthcare equipment industry and data and telecommunications industry. In addition to Norway, Kitron ASA has plants and production in Sweden, Lithuania, Germany, China and, as of the beginning of 2011, also in the United States. Kitron ASA's turnover in 2009 was NOK 1,643.9 million (about EUR 210.5 million).  
[www.kitron.com](http://www.kitron.com)

Greenpoint Oy (Scanfil EMS Oy's share of ownership 40%) focuses on development and supply of solutions and equipment, which improve placements, visibility and sales of customer products in the Point-Of-Sale. The Greenpoint product portfolio includes a large variety of refrigerated merchandisers, displays and integrated check-out zone concepts. The company serves both brand owners and retail chains internationally. Along with the European markets Greenpoint Oy has entered North and Latin American markets through partnerships. [www.greenpoint.fi](http://www.greenpoint.fi)

iLOQ Ltd (Sievi Capital plc's share of ownership 23%) develops, manufactures and markets innovative, high security, electronic and battery-free locking solutions that combine modern mechatronics with communications and software technology. The functionality of the iLOQ S10 product concept developed by iLOQ Ltd and the added customer value it generates has been shown to be good by achieving significant growth and customer accounts in the Finnish lock market. The company has built a Finnish distributor network that covers growth centers and major cities.  
[www.iloq.fi](http://www.iloq.fi)

IonPhasE Oy (Sievi Capital plc's share of ownership 40%) develops and manufactures high performance dissipative polymers that help to control static electricity. IonPhasE products are utilized in wide range of industries like chemical, automotive, telecommunication and consumer electronics. Based on own-patented technology, IonPhasE manufactures polymers called IonPhasE IPE. [www.ionphase.fi](http://www.ionphase.fi)

Panphonics Oy (Sievi Capital plc's share of ownership 40%) is the world's leading provider of

directional audio solutions. Panphonics manufactures directional audio solutions for acoustically demanding applications based on its own patented technology. Panphonics Sound Shower directional audio speakers can be found in banks, retail stores, digital signage projects, information kiosks, theatres, and offices throughout the world. Panphonics is also component manufacturer and licensor of plane wave technology for industrial audio manufacturers and audio solution providers. [www.panphonics.com](http://www.panphonics.com)