

March 25, 2009

To our customers, suppliers and other interested parties

PMC Hydraulics AB - A new company within the PMC Group

As part of the PMC Group's continuous work to create a united group where the competences and resources of each company can be offered to the customers in an enhanced manner we have decided to establish PMC Hydraulics. This company will consist of today's business areas within AB Gustaf Terling, INAB Automation AB, the hydraulic division of HL Hydraulik Leverantören AB and Hydraul Syd's business area in Lidköping. The changes are valid as from April 1, 2009. The business areas will remain at their present localities.

Besides a business unit for the Aftermarket segment PMC Hydraulics will also have separate business units for Mobile OEM, System OEM and Industrial System Projects.

We would also like to inform customers, suppliers and other interested parties of Terling's and Inab's existing activities that the VAT No. of PMC Hydraulics is SE556036816801.

PMC Hydraulics hereby takes over all agreements, their undertakings and rights, related to above activities. We intend to conclude correct agreements during 2009, but until further notice this letter is valid as a legal undertaking from PMC Hydraulics AB.

Until further notice the current respective postal- and bank giro account numbers are valid for Terling and Inab.

This change does not involve any alterations with respect to contacts or contact particulars that you currently have.

For further information please get in touch with:

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PMC Hydraulics AB is part of the PMC Group, the Nordic region's leading supplier of hydraulic solutions for industry. Our offer includes most activities from engineering to manufacturing and sales of components, cylinders and hydraulic systems. The group's operations also include electro mechanics and pneumatics. The PMC Group has operations in 8 countries and global focus. In 2008, the group sales reached about SEK 3.8 billions. The PMC Group currently has about 1,650 employees. Please visit our website www.pmcgroup.se.