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New Exclusive Licence Agreement Strengthens Notox and Sets Background For Widening Ownership

Notox A/S, a subsidiary company of Scandinavian Brake Systems A/S (SBS), has entered into a licence agreement for a pioneering ceramic technology for the production of silicon carbide diesel particulate filters. This ground-breaking technology is developed by the German filter company AFT GmbH.

Through its subsidiary company Notox, SBS is among the leading suppliers of technology in development and production of diesel particulate filters in a market which – based on legislation requiring the use of diesel particulate filters in the European Union, the United States, China, Korea and a number of other countries – is estimated to be worth DKK 20 billion in 2015.

Den licensed ceramic technology is secured through extensive patents. Notox has entered into an agreement for the exclusive rights. The technology is particularly suited to the production of light weight diesel particulate filters for passenger cars and diesel particulate filters with extremely high porosity. This technology will therefore complement Notox' Silicon Carbide filters, which are particularly well-suited to larger diesel engines in heavy duty vehicles, construction and farming machines, stationary power generators, trains and ships.

The technology is expected to permit an even more aggressive and competitive entry on the first-fit market (OEM-market) for Notox A/S consisting of passenger cars, heavy duty vehicles, construction and farming machines, stationary power generators, trains and ships.

The licence agreement is not expected to affect turnover or end-of-year financial results at SBS or Notox this year.

Basis for widening Notox ownership

During 2009 Notox expects to enter into the first contracts for the delivery of diesel particulate filters to OEM-manufacturers. The potential for Notox is therefore significant which at the outset will require capital. With this in mind, management at the companies has reached a decision to explore means of widening the ownership of Notox A/S.

SBS has selected Danske markets, Corporate Finance to head up this task. Danske Markets, Corporate Finance is a division of Danske Bank Group and is one of the leading corporate finance advisors in the Nordic countries.

Further information:

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