

Press release

The Board of Höganäs recommends all shareholders in Höganäs to accept the revised offer from H Intressenter of SEK 325 per share in the company

Background

On 11 February 2013 H Intressenter announced a public offer to the shareholders of Höganäs to sell their shares in Höganäs to H Intressenter (the "Offer"). Adjusted for the dividend from Höganäs of SEK 10 per share H Intressenter offered SEK 310 in cash per share in Höganäs. H Intressenter has today announced a revised, higher offer of SEK 325 per share in Höganäs, representing an increase of SEK 15 per share.

The Offer is conditional on, amongst other things, H Intressenter becoming the owner of more than 90 % of the shares of Höganäs. H Intressenter has reserved the right to waive this and other completion conditions of the Offer. The Offer is not subject to any financing condition.

The acceptance period will run until 20 June 2013 and assuming that H Intressenter announces that the Offer is completed on or around 25 June 2013, payment of the Offer consideration is scheduled to start on or around 28 June 2013.

H Intressenter, which is jointly owned by Lindéngruppen and Foundation Asset Management Sweden, controls 34.4 % of the shares and 47.9 % of the votes of Höganäs.

At request of H Intressenter, the Höganäs' Board of Directors consented to H Intressenter conducting a limited confirmatory due diligence process prior to the announcement of the Offer. H Intressenter has not received any unpublished price-sensitive information during the course of this due diligence process.

For further information regarding the Offer please refer to H Intressenters web site www.h-intressenter.se, where the offering circular and the press releases announced by H Intressenter since 11 February 2013 are held available.

Board of Directors'¹ evaluation

¹ Board members Jenny Lindén Urnes, Erik Urnes and Urban Jansson are affiliated to H Intressenter AB, and accordingly, has not participated in Höganäs' Board of Directors' handling of the Offer.

The Board of Directors notes that H Intressenter has expressed that it values the competence possessed by Höganäs' management and employees, and the work they are doing, and that going forward, it intends to safeguard the excellent employee relations within Höganäs. The Board of Directors also notes that H Intressenter supports Höganäs' existing strategic plans, and that accordingly, it would not expect the completion of the Offer to have any material effects on employment and operations at the locations where Höganäs conducts its operations. Nor are any material changes to Höganäs' management and employees, or their terms of employment, expected. The Board of Directors assumes that this description is accurate, and in relevant respects, has no reason to take a different view.

In assessing the Offer, the Board of Directors has taken into account a number of factors considered relevant. These factors include, but are not limited to, Höganäs' current financial position, expected future development and potential and related opportunities and risks. The Board of Directors has also analysed the Offer using the methods normally used for evaluating bids for listed companies, including the bid premium in relation to the share price, Höganäs' valuation in relation to comparable listed companies and comparable acquisitions, the stock market's expectation of the development of Höganäs' profitability and share price, and the Board of Directors' expectation of Höganäs' long-term value based on expected future cash flows.

In addition to different financial analyses, the Board of Directors has also contacted industrial and financial parties to determine their potential interest in acquiring Höganäs. The Board of Directors notes that as of today there have been no concrete indications that a competing bid could materialise. No party has proactively contacted the Board of Directors to explore the possibility of making a bid.

The Höganäs Board of Directors has appointed Handelsbanken Capital Markets as its financial adviser and Mannheimer Swartling as its legal adviser on matters relating to the Offer. Handelsbanken Capital Markets has issued a fairness opinion in relation to the Offer, please see appendix A.

In light of the above, the Board of Directors' overall assessment is that the Offer is fair from a financial point of view and the Board of Directors unanimously recommends all shareholders in Höganäs to accept the Offer.

The Board of Directors of Höganäs AB (publ)

For more information, please contact:

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Höganäs announces this information in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 08.10 on 22 May 2013.

Höganäs is the world's leading manufacturer of iron and metal powder. We see endless possibilities in improving existing application segments of metal powder and developing new ones. With our deep know-how of our customers' applications, we are working with them to develop tomorrow's car components, surface coating and brazing products as well as systems for sustainable energy production and electric motors. This is why our vision is "We push the limits of metal powders".

Höganäs was founded in 1797 and today employs 1,700 people around the world. During 2012 our turnover was 6.7 billion SEK and we are listed on NASDAQ OMX's Stockholm Mid Cap list.

For more information, visit our website: www.hoganas.com.