

**Nedschroef and Shanghai Prime Machinery Company Limited (PMC)
successfully complete the merger to form a world class fastener supplier.**

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After a period of expansion under the stewardship of the private equity owners Gilde Buy Out Partners and Parcom, Koninklijke Nedschroef Holding will enter into a new phase of its longstanding history.

It has been 3 months since Shanghai Prime Machinery Company Limited (PMC) among the largest fasteners exporters in China, had signed the purchase agreement to acquire Koninklijke Nedschroef Holding B.V. PMC is listed on the Hong Kong stock exchange (2345-HK) with Shanghai Electric Group Corporation ("SEC") as its largest (49.6%) shareholder. We are happy to announce that the acquisition of Nedschroef is successfully completed today after receiving all the required approvals and merger clearance. This means that Nedschroef will become part of a powerful and well-funded diversified industrial group with a long-term horizon.

PMC is a controlled subsidiary of Shanghai Electric Group (SEC), which is a large Chinese industrial conglomerate company with sales of around EUR 11 billion. PMC is also listed on the Hong Kong Stock Exchange. It is one of the largest exporters of automotive fasteners in China, while Nedschroef is the European market leader. They will be joining forces to form the leading high-end fastener supplier. Backed by the robust new owner, Nedschroef will continue to operate independently under their own brand name.

Nedschroef's management team will continue to lead the development of the group within PMC. The headquarters will remain in Helmond, the Netherlands, and all of Nedschroef's current production locations will be maintained. The Nedschroef employees will have a fundamental role in the future development of Nedschroef through the recognized expertise and outstanding sector knowledge.

PMC is committed to backing Nedschroef's global expansion plans. This transaction has advantages for both companies and provides Nedschroef with improved global reach offered by PMC and SEC, with a particular strength in China.

Nedschroef will offer PMC a strategic entry into the high-end automotive fasteners business, inheriting Nedschroef's strong relationships with leading European OEM car manufacturers. Nedschroef will provide PMC with a crucial platform to further grow the Company's fasteners division and develop its fasteners expertise and technology worldwide.

**With Kind Regards,
Board of Directors
Koninklijke Nedschroef Holding B.V.**

About Nedschroef

Headquartered in Helmond, Netherlands and with over EUR 500 million of revenues Nedschroef is one of the world's largest suppliers of fasteners and other advanced, engineered cold forged components. Its clients are active in some of the most technically demanding industries including the automotive and aerospace industries. In addition, Nedschroef's machine division develops and produces machines and tools for the production of cold forged components for a variety of end markets. The company is a market-leading innovator in designing, developing and manufacturing advanced engineered fastener products for leading car manufacturers and suppliers around the globe. Nedschroef employs approximately 1,500 staff globally, the majority in the production facilities in Germany.

About PMC

Headquartered in Shanghai and with over EUR 400 million of revenues in 2013, PMC is an industrial group engaged in the design, manufacturing and sale of advanced machinery parts and components. Its fastener business is involved in the production of standard and specialized high strength fasteners. PMC also produces turbine blades, bearings, cutting tools and general machinery. It supplies to power plants, railway transportation, automotive, aerospace and aviation, etc. PMC is listed on the Hong Kong stock exchange (2345-HK) with Shanghai Electric Group Corporation ("SEC") as its largest (49.6%) shareholder. SEC generated around EUR 11 billion of revenues in 2013 with over 60,000 employees. PMC and Shanghai Electric have broad experience in working together with large companies in Western Europe, evidenced by successful cooperation's with large Western industrial players