

Dear customers, dear business friends,

Several months ago, a process of selling the concern GARDENA started. The actual owner, the company Private Equity Gesellschaft Industri Kapital, had decided to sell their shares in GARDENA. Both management and the chiefs of executive and heads of individual production plants took an active part in the selling process.

After obligatory bids have been submitted and after several negotiations took place, an agreement was found and a contract was signed with a Swedish company Husqvarna on December 21, 2006.

Both Industri Kapital and the management are sure that by this way the best solution has been found. There were several important reasons for choosing the company Husqvarna. Husqvarna is the biggest world producer of chain saws, mowers and other mobile petrol garden equipment, as for example string mowers and leaf cleaners. This company has a very strong position on the US market. By taking over the company GARDENA, HUSQVARNA is getting an important base in Europe. On the other hand, GARDENA can find new chances in the US. Also in the future, this new connection enables to enlarge the portfolio of innovative products. One thing is sure: the company GARDENA will be able, with the support of the new owner, to continue in further positive expansion and development.

The completion of the selling process is still bound to the approval of the Cartel Office. We suppose that this approval will be granted during the first quarter of 2007.

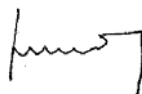
This means, without doubt, a new historical period both for the company GARDENA, and the Advanced Plastics s.r.o., as one of its units.

The current activities with our external customers remain unaffected, of course.

We thank you for your confidence and once more we wish you a prosperous new year.



Ing. Jaromír Schmid
Chief of Executive



Svatopluk Máj
Chief of Executive

In Vrnbno pod Pradědem, on December 21, 2006