

**News Release**

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**-- For Immediate Release --**

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**MEGTEC Systems' Building on a Firm Foundation of Customer Commitment in Asia Pacific**

De Pere, Wisconsin. On June 15, 2006, MEGTEC Systems Shanghai Ltd. celebrated the opening of their new manufacturing and office building located in Shanghai's Songjiang District. This new facility including the land is ten times larger than its previous facility, and indicates the steady expansion that MEGTEC has experienced over the last decade in China.

This modern and well-equipped facility is responsible for overseeing the production of zero-speed splicers, industrial ovens, and regenerative thermal oxidizers (air pollution control equipment) for the Graphic Arts Printing industry, chemical, electronics, web coating, flexible packaging, pharmaceutical, ethanol, wood products and automotive industries.

MEGTEC's new Shanghai facility has 55 employees with anticipation of doubling its size in the next one or two years to support its expanding customer base. The Shanghai staff represents the management team, the finance and administrative division, sales and

marketing, engineering and quality control as well as the service team and other support personnel. The larger and more efficient new premises is equipped with state-of-the-art video and web conferencing capabilities. The manufacturing section, which occupies up to 2,300 square meters, is specially designed to accommodate specific flooring and roof clearance requirements. It has areas for engineering, manufacturing and quality control as well as a paint booth. In addition, there are three 10-ton and one five-ton cranes installed in two bays. The cranes greatly improve manufacturing efficiencies and flexibility. MEGTEC Systems Shanghai is an ISO 9001 certified and Six Sigma facility.

MEGTEC's innovations in web handling, air flotation drying, process thermal management, and emission control systems are evident with over 100 patents and more than 25,000 equipment installations around the world.

MEGTEC serves its customers with more than 800 employees worldwide. MEGTEC's three regional headquarters are located in the USA, France, and Singapore, with offices in Germany, Sweden, the United Kingdom, Australia, Japan and India. Manufacturing facilities are located in the USA, France, Sweden and Shanghai. MEGTEC designs, builds and provides service support in the location most appropriate to each customer.

MEGTEC is owned and supported by Sequa Corporation, a diversified industrial company listed on the New York Stock Exchange.