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DIVISION OF CORPORATE FINANCE

Date/Datum

Our ref./Unser Zeichen

2 May 2007  
Your ref./Ihre Nachricht vom

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Securities and Exchange  
Commission  
Division of Corporation Finance  
Room 3094 (3-6)  
450 Fifth Street, N.W.  
WASHINGTON, D.C. 20549  
USA

Attention: Special Counsel, Office of  
International Corporate Finance

## SUPPL

Dear Sir or Madam,

**Re.: Rule 12g3-2(b)**  
**File No. 82-3754**

The enclosed information is being furnished to the Securities and Exchange Commission (the "Commission") pursuant to the exemption from the Securities Exchange Act of 1934 (the "Exchange Act") afforded by Rule 12g3-2(b) thereunder.

This information is being furnished under Paragraph (1) of Rule 12g3-2(b) with the understanding that such information and documents will not be deemed to be "filed" with the Commission or otherwise subject to the liabilities of Section 18 of the Exchange Act and that neither this letter nor the furnishing of such information and documents shall constitute an admission for any purpose that Höganäs AB is subject to the Exchange Act.

Yours sincerely,  
HÖGANÄS AB (publ)

*Christel Hübinette*  
Christel Hübinette

**PROCESSED**

MAY 17 2007

THOMSON  
FINANCIAL

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Encl. Press release / Brazil

Bl. 4730

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SIDE OF LETTER HEAD  
CORPORATE SITE**Höganäs invests in a new factory for atomising of iron powder in Brazil**

Höganäs, through its subsidiary Höganäs Brasil Ltda, has decided to build a new plant in Mogi das Cruzes, São Paulo, for the manufacturing of atomised iron powder. The investment amounts to approximately SEK 50 million.

The strong and growing demand in South America, from both the component and consumable market segments, has led to the decision to increase the manufacturing capacity in Brazil. The new factory will be located within the existing manufacturing complex at Mogi das Cruzes and have a covered area of some 3.000 sq. meters. The state-of-the-art factory is expected to be operational in June 2008 and will double Höganäs' manufacturing capacity of iron powder in Brazil.

"We are working hard to grow the market together with our customers and we are committed to serve them locally. Höganäs decision to increase production capacity through the new factory will enable us to continue to serve the market with customized solutions and reinforce our position in South America.", says Mr. Claudinei Reche, Managing Director, Höganäs Brasil Ltda.

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Höganäs AB (publ)  
Corporate Communications

Höganäs, Sweden, 2 May 2007

Höganäs was founded in 1797 and is today a leader within the iron and metal powder industry. End products are mainly used by the automotive industry and home appliances, lawn and garden and hand-tools. In 2006 the turnover was MSEK 5 123 (4 594) and income before tax MSEK 525 (408).

Höganäs is listed on the Nordic Stock Exchange's Mid Cap list.  
For further information please visit our website [www.hoganas.com](http://www.hoganas.com)

**END**