



Skandia Liv

Press release, 14 May 2001

Lindab Intressenter¹ makes a SEK 3,310m recommended cash offer for Lindab. Bid premium 32%

- **SEK 138 in cash for each B share.** Ratos, the 6th AP fund, Skandia Liv, Carl-Gustaf Sondén and Hans Schmidt-Hansen (the "Group of Investors"), through the jointly owned company Lindab Intressenter AB¹ ("Lindab Intressenter"), are offering SEK 138 in cash for each B share in Lindab AB (publ) ("Lindab"). The offer represents a premium of 32.1 per cent in relation to the average closing price of the Lindab B share on Stockholmsbörsen during the 30 most recent trading days prior to the trading in the share was suspended on 11 May 2001².
- **SEK 158 in cash for each A share.** 56.9 per cent of the votes and 11.7 per cent of the capital in Lindab is represented by unlisted A shares. Lindab Intressenter is offering SEK 158 in cash for each A share, which is assessed to correspond to the market value.
- **Recommendation by the Board.** The Board of Lindab has decided unanimously to recommend the holders of Lindab shares to accept Lindab Intressenter's offer. On behalf of the Board of Lindab, Nordea Securities has evaluated the offer and has stated in a fairness opinion that the consideration offered to the shareholders is reasonable.
- **Acceptance.** Holders of shares representing 65.7 per cent of the votes and 29.0 per cent of the number of shares in Lindab have undertaken to accept Lindab Intressenter's offer.
- **Lindab Intressenter.** Lindab Intressenter will be 42.2 per cent owned by Ratos, 23.9 per cent by the 6th AP fund, 23.9 per cent by Skandia Liv, and 10.0 per cent by Carl-Gustaf Sondén, CEO of Lindab, and Hans Schmidt-Hansen, deputy CEO of Lindab.
- **Acceptance period.** The acceptance period is expected to last from 22 May through 18 June 2001.

Background and motives for the offer

Starting point for structural changes

Lindab, whose B share is listed on the Stockholm and Copenhagen stock exchanges since 1984 and 1991, respectively, has developed from a local manufacturer of simple products based on sheet metal to a global ventilation and building materials group active in 130 locations in 21 countries. In Lindab's single most important product group, so-called circular duct systems, the company has established a world-leading position. Lindab's market is still highly fragmented and often characterized by local contractors, both in manufacturing

¹ Under proposed name change from Gigantissimo 2295 AB.

² Adjusted for dividend of SEK 3 per share paid as per the record date, 2 May 2001

and installation. However, there is a distinct trend toward the old craftsman process being abandoned in favor of more industrialized processes based on economies of scale.

Planned measures strengthen Lindab

In its discussions with the 6th AP fund and Skandia Liv, Ratos has found a common view regarding how Lindab's potential could best be developed. The objective is to establish Lindab as a leading player in targeted product and market segments. To achieve this, new structural changes and substantial investments are required.

"We have been interested in Lindab for some time and studied its potential in the industry. Our assessment is that the company is now ready for an accelerated growth in key markets globally," says Arne Karlsson, CEO of Ratos.

Lindab Management co-owners

Among other aspects, the Group's of Investors active ownership is based on management's commitment and that agreement prevails regarding common goals and action plans. It has been of vital importance for Ratos, the 6th AP fund and Skandia Liv that Carl-Gustaf Sondén and Hans Schmidt-Hansen participate in the Group of Investors and that they intend to actively manage the future development of Lindab. Lindab Intressenter also intends to offer other key personnel in Lindab future part-ownership in Lindab Intressenter, to further strengthen management's commitment.

Lindab Intressenter's investment strategy includes fulfilling and implementing intended measures. Within a five-year period, the Group of Investors sees Lindab as a substantially larger group with a significantly stronger global market position. Then, taking into account the prevailing stock market conditions at the time, the new Lindab Group could again become an attractive listed company with the size and profitability, as well as liquidity in the share, that the stock market requires.

Carnegie is the financial advisor of Lindab Intressenter and the Group of Investors in the offer. Lindab has engaged Nordea Securities as its financial advisor in connection to Lindab Intressenter's offer.

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The offer

The shareholders in Lindab are being offered to tender all their shares in Lindab to Lindab Intressenter. SEK 158 will be paid for each A share and SEK 138 for each B share. There is no commission fee. The total value of the offer is SEK 3,310 million. The total value does not include Lindab's holding of 417,143 own B shares. The B shares in Lindab are listed on the A-list of Stockholmsbörsen and on the Copenhagen Stock Exchange. The Lindab A shares are not listed. The closing price for the Lindab B share on Stockholmsbörsen on May 11 2001, before trading in the share was suspended, was SEK 118 per share. The offer for the B shares represents a premium of 16.9 per cent in relation to the closing price on 11 May 2001. Compared with the average closing price during the most recent 30 trading days, 28 March – 11 May 2001, the premium is 32.1 per cent.¹

The closing price for the Lindab B share on the Copenhagen Stock Exchange on May 10 2001, the last day of trading in the share prior to publication of the offer, was SEK 111² per share. In relation to this price, the offer for the B shares represents a premium of 24.3 per cent. Compared with the average closing price for the Lindab B share on the Copenhagen Stock Exchange during the most recent 30 trading days, 27 March – 10 May 2001, the premium is 38.8 per cent.¹

The offer price for the A shares is assessed to represent market value and is in line with the protection for B shareholders regarding a possible offer premium for A shares that has been previously announced in Lindab's annual reports.

Carl-Gustaf Sondén and Hans Schmidt-Hansen, senior executives of Lindab, who are members of the Group of Investors, will sell their shares in Lindab, representing 5.7 per cent of the shares and 23.4 per cent of the votes, to Lindab Intressenter, in exchange for shares in Lindab Intressenter, provided that the offer to the shareholders in Lindab is completed. In exchange for the A shares, they will receive Lindab Intressenter shares representing SEK 158, and in exchange for the B shares they will receive shares in Lindab Intressenter representing SEK 138, which correspond to the prices in the public offer.

Ratos does not currently own any shares in Lindab. The 6th AP fund currently holds shares representing 0.8 per cent of the number of shares and 0.4 per cent of the votes in Lindab. Skandia Liv currently holds shares representing 1.3 per cent of the shares and 0.6 per cent of the votes. Skandia Fonder, independent from Skandia Liv, holds shares in Lindab representing 2.5 per cent of the shares and 1.2 per cent of the votes.

Holders of an aggregate of 1,680,000 A shares and 3,824,516 B shares, representing 23.3 per cent of the number of shares and 42.3 per cent of the votes in Lindab have undertaken to accept Lindab Intressenter's offer. These shareholders, and the senior executives mentioned above, who will sell their Lindab shares, together represent 29.0 per cent of the number of shares and 65.7 per cent of the votes in Lindab.

The Board of Lindab have evaluated the offer and have decided unanimously to recommend the holders of Lindab shares to accept Lindab Intressenter's offer. Neither Carl-Gustaf Sondén, nor Hans Schmidt-Hansen participated in this decision. On behalf of the Board of Lindab, Nordea Securities has evaluated the offer and has in a fairness opinion stated that the consideration offered to the shareholders is reasonable. The fairness opinion will be included in the prospectus concerning the offer.

Lindab Intressenter has received firm financing commitments from Svenska Handelsbanken for the debt financing required for the transaction.

¹ Adjusted for dividend of SEK 3 per share as per the record date, 2 May 2001.

² Exchange rate: SEK/DKK 1.22.

Conditions for the offer

Lindab Intressenter's offer is conditional upon:

- that it is accepted to the degree that Lindab Intressenter becomes the owner of more than 90 per cent of the total number of shares and votes in Lindab. However, Lindab Intressenter reserves the right to implement the offer even if it is accepted to a lesser degree;
- that all Swedish and foreign permits and approvals, including those from relevant competition authorities, required for the offer and for the proposed acquisition of Lindab, are received on terms which in the opinion of Lindab Intressenter do not significantly affect the acquisition;
- that, prior to the announcement that the offer is being implemented, neither the offer, nor the acquisition of Lindab, nor the Lindab Group, is materially adversely affected as a result of legislation, a court ruling, the decision of a public authority or a comparable circumstance in Sweden or in another country that is in effect or may be anticipated at the time such judgment is made, or by any other circumstance beyond Lindab Intressenter's control.

Preliminary time table

It is expected that the prospectus will be distributed to the shareholders in Lindab on or about 22 May 2001. The acceptance period is expected to be from 22 May through 18 June 2001. If Lindab Intressenter announces on or about 19 June 2001 that the offer is being made unconditional, payment is expected to be made on 28 June 2001. Lindab Intressenter reserves the right to extend the acceptance period as well as to delay the time for payment.

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Ratos in brief

Ratos is a listed private equity company. The business concept is to maximise shareholder value over time by investing in, developing and divesting primarily unlisted companies. Ratos thus offers stock market players a unique investment opportunity. The net asset value of Ratos's investments is approximately SEK 9 billion. Ratos's holdings include Camfil, Capona, Dahl, DataVis, Esselte, Exceed, Industri Kapital, Q-Labs, Superfos, Telelogic and Telia Overseas, as well as the recently acquired former Atle holdings: Arcorus, DIAB, Gadelius KK, Haendig, Haglöfs, Hilding Anders, HL Display, Intervect, Kronans Droghandel, Martinsson Gruppen, Programmera, Sweden On Line and a jointly owned portfolio of small holdings.

The 6th AP fund in brief

The 6th AP fund is one of five funds for the management of the public pension assets and has a unique position in the Swedish pension funds system.

In addition to traditional asset management, the 6th AP fund has substantial investments in private companies.

In the Private equity market, the 6th AP fund's operations include both the Buy-out and Venture Capital areas. Today, the 6th AP fund is a successful player in the Swedish Private equity market, and works long term to consolidate and develop this position. In the Venture Capital area, the 6th AP fund contributes capital, competence and networks to Swedish growth companies with financially sound business concepts.

The Buy-out operations are focused on financial and structural investments in larger companies, such as the buy-out of Norrporten from Stockholmsbörsen in late 2000.

Total assets under management as of December 31 2000 amounted to SEK 18.4 billion, of which SEK 3.7 billion were in private companies.

Skandia Liv in brief

Skandia Liv is one of Sweden's oldest life insurance companies with assets under management of approximately SEK 265 billion for one million customers. Skandia Liv is a mutual company, which means that all surpluses will be transferred to the customers. Professional and global funds management has created an average yearly return of 13 percent for the last 15 years.

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