

P R E S S R E L E A S E

— from ASSA ABLOY AB (publ) —

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ASSA ABLOY has reached a principal agreement to acquire 89% of the shares in Mul-T-Lock in Israel

- Mul-T-Lock is the leading Israeli manufacturer of lock cylinders and security doors with a quickly growing export and a well recognised international brand
- The acquisition comprehends 89% of the shares
- Sales in 2000 are expected to reach approximately USD 100 M
- Acquisition is expected to contribute to the earnings per share as from 2001

Mul-T-Lock is Israel's largest manufacturer of locks, lock cylinders and security doors. The lock division, which stands for almost 50% of the sales, shows high profitability and good growth. Large investments have been made in production equipment within this division during the last 10 years and the company today has a highly modern lock manufacturing plant. Mul-T-Lock has a strong and competitive lock product programme for the market in general, and the segment high security locks and padlocks for the residential market in particular. Within this area, the company has successfully grown on the export market, e.g. in England and the US. Locksmiths and DIY-stores are main sales channels for these products, and through the acquisition of Mul-T-Lock ASSA ABLOY strengthens its position in these important and growing channels of distribution. Mul-T-Lock's other business comprises mainly the manufacturing of security doors, a business that shows losses but which is under restructuring and is expected to show positive results next year.

Mul-T-Lock was founded in 1973 by the present President, Avraham Bahry and was listed on the Tel Aviv Stock Exchange in 1990. The main shareholder, Avraham Bahry, has since the listing owned 30% of the shares in the company and has recently acquired 59% of the remaining shares. A principal agreement for ASSA ABLOY to acquire these shares has now been made. The take-over is expected to take place during the first quarter of 2000 and the equity is calculated to amount to 57 MUSD. The price (for a debt-free company) is expected to be in level with sales.

In the light of the ongoing restructuring of the door manufacturing division, the acquisition is expected to contribute to the earnings per share from 2001.

For further information, please contact
Carl-Henric Svanberg, President & CEO, tel: +46-8-506 485 52 alt. +46-8-510 05 51,
or Göran Jansson, CFO, tel. +46-8-506 485 72 alt. +46-70-698 85 72

ASSA ABLOY AB (publ)
P.O. Box 70340, S-107 23 Stockholm
Tel: Int+46-8-506 485 000, Fax: Int +46-8-506 485 85

Visiting address: Klarabergsviadukten 90

www.assaabloy.se

The ASSA ABLOY Group is the world's leading manufacturer and supplier of locks and associated products, dedicated to satisfying end-user needs for security, safety and convenience. In 1999 the Group will report sales exceeding SEK 10 billion and has about 12,000 employees.