

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

from ASSA ABLOY AB (publ)

28 November 2001
no. 24/01

ASSA ABLOY's acquisition of Spanish TESA completed

- TESA is the leading Spanish lock company
- Sales in 2001 expected to reach EUR 100 M
- Reinforces ASSA ABLOY's position in the Spanish market
- Brings additional expertise in electromechanical locking solutions into the Group
- Strong historic profitability

TESA, originally part of the Yale Intruder acquisition in beginning of 2000 was deferred due to pending regulatory approval in the US. After close down of the subcontracted manufacturing for the sellers hotel locks business, approval has been received and the acquisition was completed today.

TESA, is located with its main factory in Irun in northern Spain. The company exports 55% of it's sales, mainly to Central- and Latin America, East Europe, France and Italy. Subsidiaries in Mexico and France are part of the acquisition. The company is a leading producer of cylinders, tubular lock cases and advanced electromechanical products. The product portfolio includes a full product program, including security doors.

TESA has shown stable growth and strong profitability. The demerger process of the subcontracting hotel lock business will initially result in a volume drop and lower earnings. Corrective actions are being taken. Synergies with other Group companies, especially in the South Europe region, are substantial and will help to bring back the company to it's former performance level.

"It has been a long period for the employees between the first announcement of our new owners in March 2000 until that we now finally can become a part of the ASSA ABLOY Group. We are all pleased that the deal is done and are looking forward towards developing business with our new sister companies", says José Agustín Telleria, managing director of TESA.

"TESA is one of the leaders in our industry in South Europe. It is a well-managed company with lots of skills, tradition and pride. Their presence will strengthen our position in the region and also on the continued development of strategic products". Says Carl-Henric Svanberg, president and CEO of ASSA ABLOY AB.

The acquisition price amount to GBP 85 M. The acquisition will create goodwill of approximately SEK 600 M which will be tax deductible. Due to the hotel lock demerger process the acquisition will initially be EPS dilutive but positive from 2003.

For further information, please contact
Carl-Henric Svanberg, President & CEO, tel: +46 8 506 485 52,
or Göran Jansson, CFO, tel: +46 8 506 485 72

ASSA ABLOY AB (publ)
P.O. Box 70340, S-107 23 Stockholm
Tel: +46 8 506 485 00, Fax: +46 8 506 485 85
Visiting address: Klarabergsviadukten 90

www.assaabloy.com

The ASSA ABLOY Group is the world's leading manufacturer and supplier of locking solutions, dedicated to satisfying end-user needs for security, safety and convenience. Current sales for the Group are in excess of SEK 20 billion (approximately USD 2 billion) and the number of employees is more than 25,000.