

ABB to buy Lorentzen & Wettre to strengthen pulp and paper business

ABB to acquire Swedish manufacturer of quality control and process optimization solutions

Zurich, Switzerland, July 4, 2011 – ABB, the leading power and automation technology group, has agreed to acquire Lorentzen & Wettre from ASSA ABLOY AB (publ) for a price of about \$119 million (SEK 750 million), to strengthen its business in the pulp and paper area.

Based in the Kista district of Stockholm, Sweden, Lorentzen & Wettre manufactures equipment for quality control, process optimization and test instrumentation for the pulp and paper industry. It has production facilities in Kista and Kajaani, Finland, and sales and service offices across Europe and in Canada, China, Japan, Singapore and the US. The company has approximately 190 employees, and will be incorporated into ABB's Process Automation division.

"This acquisition will nicely complement our existing portfolio of pulp and paper industry offerings," said Veli-Matti Reinikkala, head of ABB's Process Automation division. "This is an excellent strategic fit as Lorentzen & Wettre's products and services will enable us to address the broad spectrum of pulp and paper production challenges."

Founded in 1895, Lorentzen & Wettre has technology that contributes to improving paper quality, reducing manufacturing costs, and cutting the consumption of raw materials and energy. The company's offering includes automated fiber and pulp analysis devices, consistency transmitters, moisture sensors, laboratory paper testing instruments, automated paper testing systems, and industry specific services.

"We are very excited to continue to develop our business as part of the global Process Automation business of ABB," said Patrik Stolpe, CEO of Lorentzen & Wettre.

Lorentzen & Wettre reported revenues of SEK 307 million (\$49 million) in 2010 and expects an increase to SEK 335 million (\$53 million) in 2011.

The transaction is subject to customary regulatory approvals. ABB expects the acquisition to be completed during the second half of the year.

ABB (www.abb.com) is a leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact. The ABB Group of companies operates in around 100 countries and employs about 124,000 people.

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